Report on Mining Industry (pages 17-32)

THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

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Nation's Business

Charities Hit Hard By Ilsley Scheme

Finance Minister Ilsley's announced intention to limit the present authority to deduct charitable donations from taxable income is unfortunate and should be withdrawn. That the limitation applies only to those companies in the 100% excess profits category, and will tend to equalize their position with that of companies not paying the 100% tax, is only part of the story and obscures the real issue.

The main issue is that Mr. Ilsley's plan would add enormously to the difficulties of institutions which depend on donations, and there would at best be a slight advantage to current government revenues.

Any benefit to the Dominion treasury will be of short duration. EPT cannot be expected to remain in force for more than a year or two more, since it is a most inequitable and discriminatory form of taxation, thoroughly inadequate for the needs of the coming reconversion and peace period.

Yet for this limited and temporary gain, Mr. Ilsley apparently intends to throw a monkey-wrench into the machinery of charity financing. He is adding one more obstacle to the operations of the war charities, all of which have government approval, and whose contributions range from minor comforts and entertainments for the troops to saving the lives of the wounded and the war prisoners. This narrow attitude of the treasury offers a painful contrast to the voluntary work of thousands of Canadian men and women.

What Canadian prisoners of war or our allied merchantmen on the high seas, to mention but two groups of beneficiaries of corporate donations will think of this niggardly scheme is best left to the imagination of Mr. Ilsley.

But the Ilsley proposal affects far more than our home front war services. It comes at a time when hospitals, universities and churches have been conducting drives for funds. Some of these funds are for current purposes, but to a large extent they are for new buildings to be erected as soon as the war is over—money whose expenditure will create much employment during the transition period.

These investments will reduce the demand upon the government for "job creating" public works such as assistance to universities to build new buildings.

This type of diversion of profits should receive every possible encouragement. Every dollar so invested in a war charity or an endowment fund today saves some government in Canada—either Dominion or provincial—money today or will save it money later.

Mr. Ilsley should review his proposal.

• • •

WHAT MAKES CIVILIZATION WORK?

What makes the machinery of civilization work? Not just the satisfaction of wants for food, warmth, shelter. That's no civilization. The animals are better at providing those needs for themselves than man.

Louis L. Lang, president of Mutual Life of Canada voiced a basic truth speaking at his company's annual meeting last week. He said:

> "All national accomplishment has been based on the broad foundation of individual effort and free enterprise. A yearning for the security of one's family moves men to exert themselves beyond the requirements of mere survival. Pride of work, pride in the superiority of their product, the doing of a better job than the other fellow, prestige of position—all these are aspirations that motivate men's actions. Initiative finds its expression in competition, and competition is possible only where there is freedom of choice and action. Where men are denied freedom of choice and action, initiative disappears, slowly, it may be, but surely, and gives way to inertia and inefficiency."

Our Canadian Socialists take a very low view of mankind indeed when they plan a society which regards man as an animal, and removes the incentive to strive for the things which make him a civilized man.

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A REPORT THAT THE BANKS COULD GIVE

The Canadian banks have a fine record of public stewardship, but some people don't like them. The Socialists want to abolish them. Others don't love the banks mainly because, like the clergy in spiritual affairs, the banks are the preachers against and policemen of sin, dissipation and foolish behavior in business affairs.

The chartered banks are becoming increasingly aware of the fact that hiding their light under a bushel weakens their capacity to serve society.

B. S. Vanstone, general manager of the Bank of Toronto, in his annual statement, hinted at the report of stewardship the banks COULD tell. He said:

> "The records of the Bank of Toronto are replete with examples of young men who commenced business in a small way with limited capital but who, possessed of character, ability and enterprise, have, with the assistance of the bank, built up large businesses and created employment for thousands of workers."

The records of all the chartered banks are doubtless filled with the same stories.

True, the relations of a bank with its clients are confidential, but banks could go a great deal further in telling in human, compelling terms the success stories which sound banking has made possible, and the resultant development of this country.

• • •

LIFE INSURANCE AND SOCIALIST DREAMS

Arthur B. Wood, president and managing director, Sun Life Assurance Co. of Canada, gave a very complete answer in his annual meeting address to the socialist revolutionaries who, among other designs, want to smash the Canadian institution of life insurance.

Sun Life would present Mr. Coldwell and his merry men with the biggest single problem in their socialization plans. What would they do about the non-Canadian business of this company? Here is the distribution of Sun Life business in force: 31% in Canada, 42% in the United States, 21% in Britain and other British countries, 6% elsewhere.

Mr. Wood mentioned New Zealand, "constantly referred to as the outstanding example of a country where the principles of the socialistic system have been widely put into effect." He pointed out that although the New Zealand government has operated an insurance department vigorously for over 70 years, it has not attempted to take over the insurance companies. But it has gone into competition with them. Despite all the fancied economies of the government-operated insurance, and despite popular enthusiasm among many of the citizens for socialized institutions, the government insurance scheme is unable to attract more than 20% of the insurance business in the island.

Mr. Wood pointed out that interest rates are the most important factor in life insurance cost. "An additional interest earning power of 1% would offset a difference of 10% in the premium rates," he said.

And he made this interesting calculation. In government-operated insurance, presumably all funds would be invested in government bonds. But life companies today invest in a widely diversified list of securities and get a return considerably higher than the government bond yield. Then, says Mr. Wood:

> "If the business were conducted under a scheme which would eliminate interest, the government would find it necessary to charge rates 60% higher than those now charged today by the companies."

Brazilian's '43 Net Seen Above $2.60

Prospects For 1944 Seen Largely Dependent on Ability to Obtain Equipment

Publication of the December earnings for the operating subsidiaries of Brazilian Traction, Light & Power Co. indicates that the former Financial Post estimate for 1943 earnings, $2.60 per share, may prove conservative.

For the full 1943 year, operating earnings have shown a gain of $3.2 millions, against an earlier Post estimate of slightly over $2.5 millions. The improvement came through better than anticipated results for December.

As predicted in last year's annual report, some changes are being made in depreciation methods which will likely reduce charges on this account, but will probably be offset when miscellaneous revenues are taken into account.

Net result is that earnings will likely be above $2.60 per share, but are not likely to exceed $2.70.

For 1944, prospects are for continued heavy demand for the companies' services, largely arising from Brazil's steadily expanding industrial war effort. For the same reason, it is expected that operating costs will continue to rise during the year.

Whether earnings will rise faster than costs during 1944 will depend largely on whether Brazilian industry is able to secure additional electrical equipment, and also whether Brazilian Traction itself is able to acquire more equipment.

At present, the company still has some surplus capacity which could result in fairly rapid growth of operating earnings providing its customers are able to secure the motors and other equipment needed to make use of it. There is no ques-

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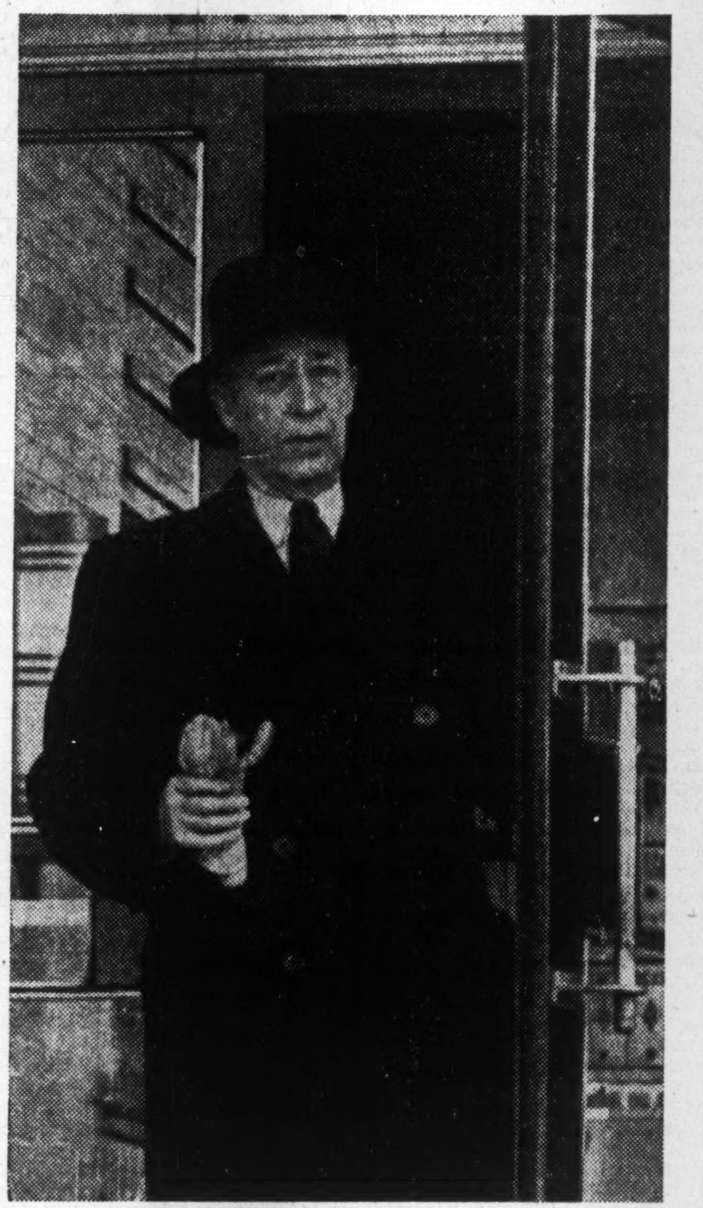

ARCHITECTS' TRANSITION MAN Photo—Jean Merrill.

Forsey Pemberton Page has been chosen for 1944-5 to head the 37-year-old Royal Architectural Institute of Canada. Mr. Page's elevation comes as the nation's 900 architects turn to the shaping of tomorrow's communities, housing, postwar works and buildings. The new RAIC president finished World War I with a wound and the rank of major. A past president of the Ontario Association of Architects, he is author, with his partner Harland Steele, of notable modern apartment developments and schools, Georgian homes and Anglican churches. Mr. Page is son of Toronto's late W. Pemberton Page, managing director of the old Sun & Hastings Mortgage Co.

Ilsley Trims Deductions For Charity

New Ruling Raises Queries as to Status of Donations Pledged by Corporations

From Our Own Correspondent

OTTAWA. — Finance Minister Ilsley's announcement recently that charity and educational organizations will no longer be able to obtain up to 5% of a corporation's excess profits at no cost to the donor has raised considerable perturbation and many questions in philanthropic and other circles. Question is, what constitutes a donation?

As explained by the Finance Minister, the new regulation will prohibit corporations in the 100% excess profits tax class from deducting all of any charitable donation from their taxable income. The tax advantage will be limited to the same 40% which would accrue to a corporation not in the 100% tax group. In other words, all corporations subscribing to charities, from Feb. 1 on, must put up 60 cents of their own money for each dollar donated.

Status of Donations

Left open, by the Minister's statement, was the status of donations pledged but not yet paid on Jan. 31.

Enquiry led to the following explanations:

All **written** pledges will be honored.

All **verbal** pledges, unaccompanied by down payments, will be ignored.

Cases where a first payment has been made, accompanied by the verbal pledge to give more, are open to consideration and negotiation. No decision has been taken as to how these are to be treated. From both Finance and National Revenue officials, however, came the tentative opinion that if a down payment, or particularly a series of payments, could be shown, and if the verbal engagement to continue this series of payments up to a stated amount could be proved, the entire commitment might be treated as a contract

(Continued on page 3, col. 6)

Cheap Money to Stay Says Bank of Canada

Cut of 1% in Rediscount Rate Seen Guarantee of Continued Low Interest Rates After War — Say Such Advance Notice Unprecedented

From Our Own Correspondent

OTTAWA.—By lowering its rediscount rate from 2½ to 1½% the Bank of Canada has served positive notice to Canadian business that the easy money policies which have ruled for the past eight or nine years will remain in force during the postwar period, according to interpretations in informed quarters here.

In so far as its present effects are concerned, the announcement is of little moment. Borrowings are small, and will remain so for the duration — restrictions and controls of war are an effective curb on private investment activity. But a considerable psychological significance is attached to this hoisting of the cheap money standard, so far in advance of need.

Advance Notice

This type of "advance notice" action is said to be virtually unprecedented in Central Bank practice, and many people here think that in more orthodox circles abroad, it may be regarded as a most deplorable precedent. Officials here, however, take a common-sense attitude in the matter.

"If we haven't got enough nerve to stick our necks out by announcing a cheap money policy," said one of them, "how can we expect investors to have enough confidence to create capital? Many of them are worried now. They remember the collapse of bond values after the last war, when interest rates went sky high. They want some assurance that the same thing won't happen after this war. Well, this is it."

Instil Confidence

Officials emphasize that the confidence factor alone would be insufficient to justify the announcement. General economic conditions also have to be taken into account. But the only economic condition to warrant raising interest rates would be an inflationary condition, with consumption demand and purchasing power outrunning productive capacity.

"I see no prospect of such a situation arising in a form which would call for a policy of raising interest rates," said Graham Towers, Governor of the Bank of Canada, in announcing the rediscount rate reduction. Admittedly, the rate of interest is only one of many factors influencing Canada's economic position, and it is probably not as important an instrument of control as was once supposed. It remains true, however, that the prospect of unstable interest rates could make it exceedingly difficult for business to formulate long-term plans. Moreover, high borrowing costs would hamper new investment in plant, equipment and housing, would restrict the expansion of employment, and would seriously complicate the task of government financing.

"There can be little doubt that the easy money policy which has been pursued since 1935 assisted in promoting recovery from the depression and facilitated the adjustments which have been required during the war period. Indication that the bank intends to continue this easy money policy should be helpful in making plans for the future."

Interest here was also roused by the coincidence that on the same day as the Bank of Canada's announcement, Lord Sempill, speaking to the Ottawa Board of Trade, suggested a British Commonwealth "debt free" monetary policy for easier and more stable trade relations.

Say Iron Hot for Forging New Free World Economy

From Our Own Correspondent

OTTAWA.—Hope is strong here among its many advocates that the new world trade system, which has been the subject of informal talks among officials of Ottawa, Washington and London in recent months, will become a reality in the fairly near future. It is being widely inferred here that whatever changes are to be made should be made before the end of war brings industrial reconversion.

This is felt to be essential for a number of reasons.

Politically, any moves away from economic nationalism had best be made at a time of full employment. Psychologically, nations while they are comrades in arms are mentally attuned to co-operation. Most important is the fact that tremendous change is inevitable in any case, when reconversion starts. Why not change into the grooves we want to follow, rather than into the old grooves we want to abandon?

The United Nations are in a state of mutual co-ordination never before achieved in history. Myriad joint boards are conferring on hundreds of aspects, big and little, of common welfare. Many people in Ottawa think the iron is hot for forging a new, free world economy.

During the past week it has frequently been recalled that Prime Minister King, in a message to an American group at New York last fall, suggested a ceiling on all tariffs henceforth, coupled with a progressive lowering of existing tariffs—say, 10% per year, which would mean a no-tariff basis in ten years.

There are grave technical obstacles to any such simple, over-all plan. No two nations, for instance, use exactly similar methods of evaluation for levying duty. Moreover different industries, even in the same country, enjoy widely differing degrees of protection.

The impression is current, however, that a strong attempt will be made to evolve some mutually acceptable plan whereby tariffs can be cut, currencies stabilized, quantity restrictions (quotas) removed and world trade put upon a basis of free circulation. Internal as well as external policies will have to be taken into account—essence of the whole problem, after all, is establishment and maintenance of full employment in all countries, and it is emphasized that this problem cannot be broken up into watertight compartments. It is part of the whole economic picture, and all measures for its solution are of interest to all who share the general economy.

Design for New World

Eventually the aim is to include the whole world in the new trade system. At present, however, many nations are held captive by the Axis and are represented by governments-in-exile which, doubtless, would hesitate to commit their respective countries to any detailed plan involving radical change.

S. C. Member For Bond Deal

Anderson Says Alberta Well Able to Meet Its Obligations Now

From Our Own Correspondent

EDMONTON.—There was an unearthly silence in government circles here this week, the aftermath of a bombshell thrown into Social Credit ranks by the frank admission of one of its leading members that "Alberta now is in a position to carry out a refunding scheme on a basis of 3.75% interest without having to touch one cent of current revenue."

The statement was made by Fred Anderson, Social Credit MLA for Calgary who added, "Let us show we are anxious to meet our obligations." So far there have been no reactions from the government except Premier Manning's blunt statement: "Mr. Anderson was

(Continued on page 2, col. 5)

Demobilized Women Will Get Trade Training Too

First Dominion assistance to develop formal trade apprenticeship has taken shape in an order-in-council making $250,000 available to the provinces in the present fiscal year. The amount is later to be increased to $1 million, Labor Minister Humphrey Mitchell announces. Extension of existing facilities to benefit demobilized service personnel and other civilians is envisaged.

In Ontario the 15-year-old apprenticeship branch of the Labor Dept., first organization of its kind in Canada and one of the first on the continent, now will be enlarged. The Ontario body, largely concerned with building trades, is also interested in motor vehicle repair, barbering and hairdressing trades. It organizes and supervises training of youth in technical schools and by indenture to operators. In the case of building trades it does so in co-operation with the organized construction industry. British Columbia too has a well-established system. Quebec is studying possibilities.

Emphasis on Building

Dominion scheme will embrace many trades, but probably emphasize building, at least in Ontario and Quebec; the apprenticeship setup will include ex-service women as well as men.

The order gives the Labor Minister authority to enter into agreements with the provinces for up to ten years. Where a province has no apprenticeship act or equivalent measure, it will be required to introduce such legislation in order to share. Provinces will administer the program, appointing apprenticeship committees representing workers and employers equally and including nominees of provincial education and labor departments. Ottawa will bear all costs of training demobilized personnel, half that of others.

Ottawa Plans Tax Revision

Eventually Income Tax Will Be Main Prop

From Our Own Correspondent

OTTAWA. — When taxes come down, if they ever do, the personal income tax is likely to be the last to be cut.

This doesn't necessarily apply to taxes on very low incomes—even now, consideration is being given to reduction or removal of levies on incomes so small that collection costs outweigh the benefit. But to the general principle announced in the James Report, that the personal income tax is a "fair and flexible" method of raising "adequate" state revenue, finance officials here give hearty endorsement.

The James Report, tabled recently, condemned sales and corporation taxes as unfair and as depressing influences on industrial activity. The sales tax is unfair because it hits rich and poor indiscriminately, without regard to ability to pay. It's an impediment to industry because, levied on producers' as well as consumers' goods, it increases the cost of manufacture and therefore the price of Canadian products in a world market. Corporation tax is unfair because holders of corporate securities have their return taxed twice. It's a deterrent because it's a tax on enterprise, and therefore on industrial activity itself.

Money Was Needed

With all these principles, Government tax experts heartily agree. The principles are, in fact, so orthodox as to be textbook maxims in the economics of taxation. They have been articles of faith in the East Block for years.

But why then haven't they been translated into fact?

The answer is simple—we needed the money. In the past ten years Canada has never had a balanced budget, never had a condition wherein elimination of any tax was a feasible project. The problem has always been to find more money, not where to ease the burden, and every wise and unwise device has been tried.

Canada is still, in fact more than ever, on a deficit budget. But since 1942, there is one cardinal difference— we now have, established, a rate of personal income tax which alone would bring in a pretty substantial revenue to a peacetime Government, provided these taxes were to be levied on a fairly high national income. And all the costliest projects now envisaged for postwar years are designed, successfully or unsuccessfully, to keep national income somewhere not too far below its present level.

Governments of the future, therefore, will no longer face the dreaded political risk of raising the income tax to hitherto unheard-of levels. They will merely have to refrain from reducing it much.

When Cut Planned

Instead of cutting the income tax, as state revenue requirements diminish, they will now be in a position to cut the sales tax, the corporation tax, and the other levies which make the Canadian tax structure an economist's nightmare. Whether the tax experts will get a chance to implement their aims depends, of course, on the Government of the day. But if the present Government has the say, the chances are they will.

This does not mean that such reductions are likely to be embodied in the 1944 budget. We are still at war, and in spite of some slight easing of production requirements, we are still in the period of war financing. No substantial or significant decrease in taxation is expected this year.

What is expected, though, is a simplification and general streamlining of taxes. National Revenue and Finance officials have had their heads together for months, trying to iron the wrinkles out of the present income tax system, and it will be a surprise if their efforts don't bear some fruit.

One expected change is in the levy on wages. At present a man is taxed according to the amount he earns in any one week, the assumption being that this amount multiplied by 52 is his annual income. In dozens of more or less seasonal industries, it is known by all concerned that this is nonsense. It has resulted, among other things, in the notorious situation whereby a man working overtime, or six days a week instead of five, seems to have most of his extra pay taken away from him by the tax collector. This has probably caused more absenteeism in industry than any other single factor.

In certain industries last year, the system was tried out whereby the employer estimates a man's annual income on the basis of the previous year, and deducts accordingly. Shining virtue of this plan is that a man receives, in his pay envelope, the same amount for each day's work, whether he works six days or five or seven in a given week. It cuts absenteeism.

Also, this system or something like it would reduce the present colossal number of refund cheques that have to be issued to low-income workers who, because of part-time employment during the year, have paid income tax in a far higher bracket than their annual income warrants.

Federal Fdies. Plans Capital Adjustment

Holding that Federal Foundries & Steel Co., London, Ont., having shown operative profit of $149,829 for the year ended Dec. 31, 1943, against $20,578 for the year ended Jan. 31, 1943, has demonstrated that with adequate working capital it should have a permanent place as manufacturer of alloy, stainless, and tool steels, directors propose reorganization and new financing as follows:

1. Reduction of present authorized capital from 750,000 shares to 250,000 shares.
2. Exchange of one new share for each 10 of the total of 500,005 now outstanding.
3. Sale of 100,000 new shares at $2.50 per share, these to be voting trust shares subject to an agreement extending for five years or the duration.

Voting trustees are E. A. Wilson, company president, and T. R. Harrison, vice-president.

Proposals go before shareholders on Feb. 29 at London.

Standing at $16,858 on Dec. 31, 1943, working capital after completion of the new financing, directors state, would be $156,710, based on figures of Dec. 31, 1943, and the company's position in this respect, now weak, would then be strong. Equipment notes, private loans, and accrued interest totalling $75,147 are being paid off, and because of this, collateral notes of $100,000, due Jan. 2, 1945, are being extended to Jan. 2, 1946.

Since incorporation in 1941, the company has spent a total of $402,965 on plant and equipment, states President E. A. Wilson in a letter accompanying the annual report to shareholders. The plant has been fully electrified, fuel oil is now used instead of coal, and many mechanical improvements have been made including installation of billet shears,

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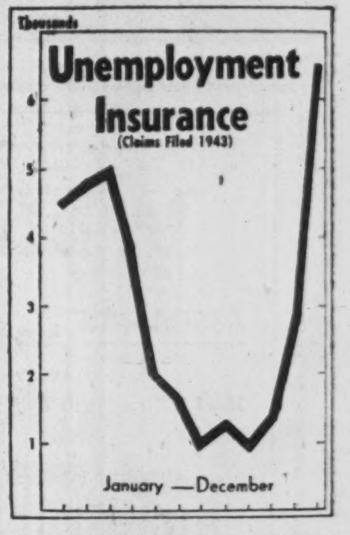
Pace of Business



December brought the largest number of claims for unemployment insurance benefit in any single month during the measure's two years of existence. Total for December was 6,562 compared with 2,896 in November, 1,475 in October and 3,337 in Dec., 1942. Previous high was March, 1943, when 5,046 were filed. Seasonal rise is to be expected but this winter there is a notable difference in the eastern as compared with western provinces; Ontario, Quebec and the Maritimes showed a 150% increase over Dec., 1942. Total number of claims for 12 months 1943 is 36,660. The insurance fund's year-end balance was $170.8 millions after two years of benefit payments amounting to $1.2 millions.

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The year's investment in Dominion of Canada bonds was considerably in excess of the substantial increase in assets.

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Parliament at Work

Excess profits tax will be tightened on contributions to various nonprofit or charity organizations, Finance Minister Ilsley has announced. (Hansard, p. 47.) Many firms subject to 100% excess profits tax have been asked for such donations, part of which can be deducted from profits. Senator Wm. Duff (Lib., Lunenburg) saw the move as a heavy blow at the charitable organizations. (Hansard, 6. 15).

Lost participation certificates in wheat will not mean that the farmers concerned must go without their money, (Hansard, p. 122). Trade Minister MacKinnon assured worried western members. The wheat board has duplicate copies of all certificates issued and while there may be some delay, the farmer will get his money. Payments on 1940 certificates will be started in March, 1941-42 payments to follow immediately afterward.

War appropriation bill of $3.6 millions was started on its way by Finance Minister Ilsley. (Hansard, p. 71.) Later, Mr. King assured the house it would be proceeded with immediately the throne speech debate was out of the way.

Some statistics on "bureaucracy" were given by Mr. Graydon. (Hansard, p. 30.) Since the beginning of the war, Parliament has "passed statutes covering 838 pages, a total of 369 thousand words. Proclamations, orders in councils, war orders and regulations covered a total of 5,791 pages, with a total of 2.8 million words."

War Assets Corporation, created to help dispose of surplus or obsolete war material, was under attack. Mr. Graydon, (Hansard, p. 27,) feared "indiscriminate disposal" of materials might mean creation of monopolies by those obtaining them. WAC operations, he said, should be "open" and little businessmen should have a chance to get some of the materials. Mr. Coldwell, (Hansard, p. 56,) saw big business profiting through WAC operations. "This body will dispose of hundreds of millions of dollars worth of publicly owned property . . . all at salvage prices."

Certain allowances for servicemen and medical service arrangements will be changed, according to amendments proposed by Pensions Minister Mackenzie. (Hansard, p. 69.) Men undergoing medical treatment will get pay of their rank, up to lieutenant, until treatment terminates.

Development of civil aviation through private enterprise was championed by Mr. Hanson, (Hansard, p. 132.) The government is monopolizing aviation in a "dog-in-the-manger" sort of way, he said. Private enterprise is not given the chance it has in other countries—"the initiative, the freedom to operate privately sponsored air transport is cabined, cribbed and put in a strait-jacket." TCA, which he admitted had done good work, is an "absolute monopoly."

Highlight of Bloc Populaire Leader Raymond's speech:—"I have condemned, and I still condemn Canada's war effort, which is out of proportion with our resources."

The income tax, because of its "complicated methods and procedure used in gathering the taxes from our people," was the cause of "vehement protest" by Mr. Graydon, (Hansard, p. 30.) "Let us unwind the red-tape which surrounds the income tax and make it simpler," he railed.

Sales operations will be conducted by the Canadian Wheat Board itself if a bill (Hansard, p. 118) introduced by Robert Fair, (S. C., Battle River,) is passed. Under the present act, he explained the board uses the established selling agencies. His bill provides that "no commissions shall be paid to these agencies but that the CWB shall set up its own selling agencies." It got first reading.

On social security Mr. Graydon (Hansard, p. 27,) said there must be a high scale of work, and wages, or the "grandiose schemes of social insurance will be like trying to spread an ounce of butter on an acre of bread—their benefits will hardly be felt." Social Credit Leader Blackmore (Hansard, p. 52,) said the whole social security system was "merely a plan to tax Canadians into prosperity; no people can tax themselves into prosperity. It constitutes an ambitious attempt to redistribute scarcity."

Criticizing the industrial development bank proposed by the government, Mr. Coldwell, (Hansard, p. 55,) said, "What agriculture asked for years ago, some businessmen are about to get." Mr. Graydon said the bank should be operated for little businessmen as well as big, for the farmers as well.

New wartime wages control order was criticized by speakers from main parties, including two Liberals. A. R. Adamson (Prog. Con., York west,) said the anti-strike clause is "one of the greatest causes of labor unrest we have seen." G. A. Cruickshank, (Lib., Fraser Valley,) with North Vancouver in mind, wants reconsideration of an order which does not "conform to the true principles of Liberalism." Even Daniel McIvor (Lib., Fort William) asked that "something be substituted" for the order. Clarence Gillis, (CCF, Cape Breton West,) thought some of his reactionary friends have seen the light.

Translations present a difficulty in the house. L. D. Tremblay, (Lib., Dorchester,) who opened the throne speech debate, called for a correction. He used the French word "intempestives" in his speech. In the English version it was translated as "tempestuous." Wrong, said Mr. Tremblay, it should be "untimely."

Voting procedure for Canada's soldiers was debated briefly when Secretary of State McLarty moved to appoint an Election Act committee to preserve, continue and safeguard the "full right of franchise of the personnel of the armed services at home and abroad." (Hansard, p. 72.)

The prairies as a market for eastern Canadian industrial products, and the effect thereon of good and bad crop years (Hansard, p. 208) was a theme developed by M. E. McGarry (Lib., Inverness-Richmond). In 1928 he said when wheat sold at $1.05 a bushel, western Canada bought goods from the east to a value of $387 millions. In the depression year, 1933, when wheat sold at 68 cents a bushel, this figure dropped to $80 millions. In 1928 the West bought farm machinery valued at $89.3 millions. For 1933, farm machinery purchase figure dropped to $8.1 millions. When "agriculture is prosperous other parts of the country and other industries are prosperous," said Dr. McCann.

Selective service has failed to equalize call-up in the various military districts (Hansard, p. 202) charged J. G. Diefenbaker (Prog. Con., Lake Centre). Citing Saskatchewan, he said that in that province, with an enlistment record of 35.7%, some 60% more were called up than in M.D. 5 (Quebec City), where voluntary enlistments were the least. There is "no equalization, no even distribution of the load," he said. This policy causes more "disunion and friction" than anything else.

Social insurance and reconstruction committees were appointed, on motion of Mr. King, but not without a plea for speedy action by Opposition Leader Graydon. (Hansard, p. 195, 197). Would the social insurance legislation be brought down this session, queried Mr. Graydon. That would depend on progress made, said Mr. King. Similarly with the reconstruction committee, Mr. Graydon urged it be brought down in "reasonable time before the end of the session," so recommendations could be debated.

Any illegal one-day strike suggestion, in protest against certain provisions of the wage control order, must not be tolerated by the Government, Flt. Lieut. James Sinclair (Lib., Vancouver North) told the House. He admitted he disagreed with many of the provisions of the order himself, but said the only people who would be affected by a strike would be "the fighting men overseas."

Company Reports

Royal Trust

Years Ended Dec. 31:	1943	1942
Earned per Share ...	$4.03	$3.78
Paid	3.20	3.20
Total Net Assets ..	$12,775,343	$12,912,790
Gtd. Account	5,716,139	5,907,281
Shareholders' Equity	7,059,204	7,005,509
Estates, Trusts & Agency Acct. ...	$769,002,032	$730,064,989

(Comparative 1942 figures bracketed.)

Royal Trust Co. reports net profit in 1943 of $667,467 ($588,126). Provision for income taxes totalled $263,773 ($209,758) leaving net profit of $403,693 ($378,367).

Bonds and stock held by the company aggregated $8,934,368 ($8,769,623). Loans amounted to $3,103,171 ($2,877,463). Bank loans remained practically unchanged at $6,877,825. In the guaranteed account there was some shrinkage in bond holdings, with secured loans at $1,171,260 ($1,346,018).

Montreal Brokers Loans Higher During January

Collateral borrowings of member firms of the Montreal Stock Exchange and Montreal Curb Market were again higher at the end of January when compared with the previous month. Borrowings totalled $8.9 millions, or $200,000 higher than at the end of December and $3.3 millions above the January 1943 figure.

Family or "Close" Corporation
Stocks Bought and Sold

Where families or small groups of people own large blocks of stock which could not be sold on the open market without considerable sacrifice, we will purchase and re-distribute these large blocks of shares to our clientele on an equitable basis.

In many cases it is desirable that this should be done because of future taxation and succession duty requirements.

We invite enquiries from individuals, executors and administrators of estates and solicitors who have problems to deal with along these lines.

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360 St. James St. W., Montreal, MArquette 4194

DIRECTOR

Hugh A. Mackenzie, vice-president and general manager of John Labatt Ltd., London, who has been made a director of the Mutual Life Assurance Co. of Canada. Mr. Mackenzie is also a director of the Gore District Mutual Fire Insurance Co.

S. C. Member For Bond Deal

(Continued from page 1)

speaking on his own. I have nothing to say."

The Alberta Legislature opens this week and there's every indication of a lively session, with the refunding question taking up a major part of the program. Mr. Anderson, no doubt, will bring the matter up again. And it is rumored Mr. Low, who has put himself on the record as favoring refunding, will make another—perhaps a final attempt to get the rest of the Social Crediters to see it his way.

Mr. Anderson put the province's position bluntly, and says, "The debt situation cannot in any way be tied to the Social Credit philosophy."

"We are showing an annual surplus of from 4 to 5 millions a year. Our sinking fund would take care of the refunding scheme, paying off 4 to 5 millions of saving certificates and leaving some $5 millions to be used for a common good."

Use Surplus For Roads

He suggested the surplus could be used to start a program to improve the highways in Alberta, to take care of the immense tourist traffic bound to take place after the war.

Plugging for the 3.75% interest rate, Mr. Anderson said, "To wait for a lower rate seems to me to be wishful thinking. We are to meet other provinces and the Dominion Government in discussions of post-war problems, and we must do so with our heads up and our credit restored. This has nothing to do with politics, but only with the fundamental principle of civilization—common honesty."

The Alberta debt amounts to about $140 millions, bearing interest at from 4 to 6%. In 1936 the Government claimed it was unable to meet this high rate of interest and at the same time give Albertans essential social services. The Social Crediters under the late Premier Aberhart, chose to cut the interest in half to meet the emergency.

Brazilian Net Seen Higher

(Continued from page 1)

tion of the demand existing, providing equipment can be found to make it effective. The present rainy season has proved satisfactory thus far, and it is not anticipated that earnings will be adversely affected by shortage of capacity.

The question of additional generating equipment for Brazilian will not likely have much effect on 1944 earnings. Even if the generators were available, they would take from 18 months to two years to build and install, and it appears that this question, like the still undecided matter of whether Brazil is to establish its own aluminum industry, will likely apply more to post-war development than to current expansion.

Federal Fdies. Plans Capital Adjustment

(Continued from page 1)

scarfing equipment, a heat-treating furnace, and a salt bath.

Several new lines of tool steel have been added to the Company's products, including high and low carbon water-hardening tool steels, manganese oil hardening, tungsten chisel steel, and carbon-high chrome steel. Other lines are to be added, states Mr. Wilson.

Reporting substantial orders on hand, the company states receipt of repeat business from many large consumers shows that the quality of its steels is meeting the highest requirements.

On completion of new financing, the new setup would be:

	Authorized	Issued
5½% 1st mtge. bonds, due Dec. 15, 1950	$600,000	$500,000
4½% coll. notes due Jan. 2, 1946 (secured by $100,000 5½% 1st mtge. bonds)	$100,000	$100,000
Common shs., n.p.v. ..	*250,000	150,000

*50,000 shares to be reserved at $2.50 per share for employees and key personnel until March 1, 1949.

Net profit for 1943, after bond and other interest of $41,756, was $108,064. Subject to approval of the War Depreciation Board, this sum was transferred to depreciation reserve.

Though offered, no Government aid has been accepted by the company, states Mr. Wilson. Ray Lawson and C. W. Sherman resigned as directors during 1943. They were replaced by A. Gordon Warden and F. J. Allen.

Keeping Posted

Gordon M. Grant is a name well known to Post readers who believe in keeping posted on the newest and truest in Canadian mining, and Gordon Grant in person is a man very well known to leaders in the mining industry.

As Mining Editor, Gord. Grant has spent the last few weeks in partial seclusion, covering the record of Canadian mines, evaluating their problems and the solutions, and has emerged with what is perhaps the most complete and satisfactory survey of the mining industry published. You'll find it on pages 17 to 32.

• • •

The Post gets its fair share of brickbats as well as bouquets and we have a feeling that there is something wrong when the brickbats are lacking. In "L'Affaire McNaughton" on page 6 and "More on Abitibi," page 4, we report on the sequel to a couple of the criticisms received recently. On both of these, it begins to look as though The Post's original comment was just about right. The fact that we were right is only incidental, what we want to emphasize is that brickbats are just as helpful in building and maintaining a good paper as they are in any other form of construction. We certainly don't go out of our way to invite criticism, but when we get it we do our best to make good use of it.

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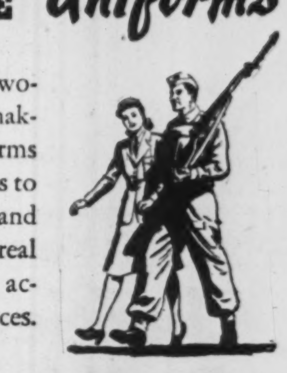
WHEN CLOTHES BECOME Uniforms



An army of workers, chiefly women, labours continuously on making war-time clothes—the uniforms for Canada's fighters. To these, as to women in all lines of industry and in the home, the Bank of Montreal offers savings and chequing accounts and other banking services.

BANK OF MONTREAL
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Modern, Experienced Banking Service . . . the Outcome of 126 Years' Successful Operation
A 133

POST-WAR SALES: U. S. AND CENTRAL AMERICA

Affiliated group of U. S. sales and manufacturing organizations with representation in Central America as well as national distribution throughout U. S., would be interested in Canadian lines suitable to these markets.
Though post-war markets are the objective, lines are preferred in which a start at long-range market development can be made now.

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ISN'T IT THE TRUTH ? By Ti-Jos

GEE, DAD, CAN'T WE HAVE A NEW RADIO ?
WHAT'S WRONG WITH THE ONE WE HAVE ?
YEAH, BUT THIS ONE HERE HAS PUSH-BUTTON TUNING AN'
YES, SON, THAT'S THE LAST MODEL THEY MADE...
GOSH, DAD, AREN'T THEY BUILDING RADIOS ANY MORE?
ONLY FOR THE ARMY, SON.
THEN WE'D BETTER HURRY, DAD !
WOULDN'T YOU SOONER WAIT AND HAVE A SET WITH TELEVISION ?
BUT HOW? YOU SAID...
AFTER THE WAR, WE'LL PUT THE PRICE INTO WAR SAVINGS NOW
YOU SEE, SON, IT'S PEOPLE RUSHING IN TO GET THINGS THAT ARE SCARCE THAT MAKES EVERYTHING SCARCER. BESIDES...
...CANADA NEEDS OUR MONEY NOW AND IT WILL BUY MUCH BETTER THINGS AFTER THE WAR.

WHEN YOU BUY, GET YOUR MONEY'S WORTH

When goods are plentiful, you get better value for your money. After the war, when our factories are turning out the very latest radios, washing machines and automobiles, is the time to buy. In the meanwhile, *lend* your money to help bring that day nearer. By doing this you help the government keep prices down, too!

JOHN LABATT LIMITED
London, Canada

Should Ottawa Boost Donation Taxes?

Prominent Canadian Opinion Sees Charities Hit

Hon. C. P. Beaubien

Senator, director of Banque Canadienne Nationale and of many other companies, Montreal.

I do not regard the proposal to increase the tax on business donations to charities and universities as judicious because they help provide for our most urgent and appealing needs and greatly contribute to the laying of the intellectual and moral foundation of a nation.

* * *

C. S. Band

Vice-president and director, Gutta Percha & Rubber Ltd., Toronto.

It is my opinion that worthy home front charities as well as the Red Cross and war services have been spending wisely and this drastic tax proposal will greatly affect their operations. I would like to see some modification in the proposed tax. I would also like to know what plans the Government has of take care of the difference in receipts resulting from such a tax. If there have been abuses it should not apply to those who are doing a good job. I would suggest in the national interest that a review of the whole situation be made in co-operation with the organizations who will suffer and would like to see the Government invite their competent representatives to meet with them and endeavor to find a more satisfactory arrangement. The management of corporations have at last learned to assume their share of responsibility in contributing to these worthy causes and I would not like to see anything done to discourage this, as it is a very timely and desirable position for business to assume.

* * *

W. L. Duffield

Vice-president, general manager and director, City Gas Co., London.

The proposed change by the Department of Finance in regulations limiting donations to charitable institutions by industry and business firms will, undoubtedly, deprive a number of deserving institutions of their customary and expected revenues. Universities, hospitals and colleges to a great extent have been dependent on these outside donations for the maintenance of their present buildings or where new accommodation was required. At the present time, there is no definite plan for meeting these needs and whatever program they may have made on the assumption that this system would continue, must now be discarded. Firms that have been subject to 100% taxation on excess profits may have been making unusually large gifts, but it has only been out of wartime profits that this has been possible. These worthy institutions must have revenue, and if private firms are to be prevented from contributions, then the ordinary taxpayer, through government grants, must supply it.

* * *

Major-General John A. Gunn

President, Canadian Legion War Services, Toronto.

The Dominion Government requires immense sums of money to carry on the war. They secure about half the sums necessary through taxation which is four or five times as heavy as peacetime taxation. The other half is obtained by borrowing through Victory Loans and War Savings Certificates. In such circumstances the Government has to exercise control over the sums which can be exempted from taxation as gifts to charities, universities and similar donations. On the other hand, profits of business have been cut down by taxation to the minimum and there remains very little after taxes are paid. Consequently, it would be impossible for corporations and individuals to make donations to charities and universities unless some substantial exemption on such donations were permitted by the Federal authorities. This might have a vital effect on the support the universities are given.

Some universities depend entirely on private donations and get no government grants. Others which get government grants also receive substantial private donations. If they do not get such donations they will have to multiply by several times the fees paid by students or else curtail to a great extent the work they are now doing and also reduce the number of students admitted. Such a course would have a very serious effect on the voluntary work which is now being done by the universities not only in Canada, but also among the members of the armed forces overseas. Such a thing is unthinkable at this time.

* * *

Dr. C. O. Lennox

International president, Lions Club, Toronto.

Since it is necessary to levy excess profits tax in wartime and if it is necessary for charity such as hospitals, universities, etc. to require donations to carry on, it would be in the best national interest for the Government to increase its grants to these needy institutions rather than to have businesses evading taxes by donating to charities promiscuously.

* * *

J. W. McConnell

President, Montreal Star Co., Montreal.

Any government curb on charitable donations is, in my opinion, an extremely shortsighted policy. The Finance Minister might read Ecclesiastes, chapter 11, verses 1 and 2, and take heed to the wisdom of Solomon.

* * *

Col. Joseph Tyndall

Financial secretary, Salvation Army, Toronto.

As you know, war services are financed by government appropriation. Reduction of tax exemption business donations will doubtless reduce larger donations to charities and will in some measure affect Salvation Army support.

* * *

Dr. James S. Thomson

President, University of Saskatchewan, Saskatoon.

The full nature of the proposals to amend taxation on business donations to universities and charitable institutions has not been disclosed, but on general grounds it would seem unfortunate at the present time to discourage industrialists from making practical acknowledgment of their immense debt to the universities. Academic institutions have made great contributions to the war effort in research and training of men with no corresponding increase of income. They must be prepared to provide continued education for large numbers of returned men and the Government should not place unwarranted restrictions on new sources of endowment for future developments.

Ilsley Trims Deductions For Charity

(Continued from page 1)

and therefore deemed deductible in its entirety.

5% of Taxable Income

Under the existing regulations all corporations, regardless of their taxation category, have been permitted to deduct up to 5% of their taxable income for donations to charities. How much of this deduction comes out of excess profits and how much out of standard profits depends on the individual company.

Thus, if the total taxable income of a company is divided evenly between standard earnings and excess earnings, half the donation to charity will come out of the 60 cents on the dollar part of standard earnings and half out of the 20 cents on the dollar part of excess earnings.

Proportion Unsettled

No statistics are available to indicate exactly what proportion of company earnings are in the standard profits category and which in the excess profits group. But the budget estimates for 1943 of $300 millions in revenue from corporation taxes and $550 millions from excess profits would appear to indicate that the Government estimates standard profits to total around $1,000 millions and excess profits around $450 millions.

If this estimate is correct, it would appear that only one third of the donations to charity are made from income that is taxable at the 100% rate. For individual corporations there would of course be wide variations from the national average.

LONDON CALLING by Adelphi

Hun Reprisal Raids Prod London's Memory of Blitz

By ADELPHI

LONDON.—We had a noisy reminder of 1940 one night recently. Infuriated by yet another raid on Berlin, Hitler sent an attenuated force of the Luftwaffe to London. The warning went at about 9 o'clock and London's guns burst into fury. Once more we heard the drone of the planes between the outbursts of the guns, but this time there was a new sound effect. Throughout the whole affair there was a tinkling as pieces of shrapnel fell upon the pavements.

At five in the morning the Germans came at London again. The guns were more noisy than ever and sleep was impossible. It seemed by the sound of the planes that our night fighters were taking a chance with our own barrage. As you will have read, 8 enemy planes were shot down out of the 90 that came over the coast.

The sound effects, as I have said, were reminiscent of the blitz, but the Hun does not penetrate to the heart of London as he once did. He finds it convenient to drop his bombs on the fringes and then return to tell the glorious tale.

* * *

Wine Prices Sky-high

Nevertheless this attempt at a reprisal raid will check the theatre, cinema and restaurant boom. Perhaps it is just as well. It is the end of art in the theatre when the public will go to see anything and when the cost of wines is so prohibitive that officers on leave spend more money than they should at supper.

Yesterday there was an auction sale of wines and liqueurs from some distinguished private cellars. Only dealers in touch with hotels and restaurants were allowed to bid. Whisky went for $15 a bottle, champagne for $30, brandy for $55. I put it in dollars so your pity will be the more spontaneous.

The Government has kept food and beer at a low level and has insisted on retailers not charging more than $7 for gin and whisky, but the supplies of those commodities are very limited. Restaurants can charge what they like for wines and spirits except the wine that comes from Algeria. This gentle claret retails at 8 shillings and the charge in restaurants is in proportion.

On the whole, the government attitude is logical. The price of necessities is controlled. You can pay what you like for vintage luxuries.

* * *

Churchill Serene

As the climax of the Battle of Europe approaches, Prime Minister Churchill becomes calm and assured. Like all great statesmen, generals and actors he finds spiritual serenity when the supreme moment comes.

Even the unhappy publication in Pravda of a separate peace move between Britain and Germany did not darken his brow. Neither did the dispute of Russia and Poland. Churchill has grown immensely with authority.

Incidentally no one has seen him with a cigar in his mouth since his return. He may of course have become a secret smoker, but that seems unlikely. It is bad news for the tobacco industry but probably good for the Allies.

Incidentally Mr. Lloyd George smoked a large cigar on his 81st birthday and enjoyed every inch of it—which proves nothing in particular.

* * *

New Secretary of War

Rumor still persists that Beaverbrook is going to be made Secretary of State for War. If that comes about I shall be greatly surprised. Everyone knows the opening of the Second Front is near, and it would be insane to appoint a man, no matter how capable and dynamic, to take charge of the War Office. The present War Minister, Sir James Grigg, is not popular in the House, but he knows his job and I cannot think that he will be removed.

* * *

Britons Air-minded

At last the British are becoming civilian air-minded. It was difficult for people on a small island to learn to think in terms of airplanes instead of trains. That indifference was increased by the choice of Croydon as London's airport, a district given to ground mists and only reachable after a long drive through dense traffic. With a fast three-hour train service to Manchester or a comfortable overnight train to Scotland, why should one bother about flying?

Then Europe was just across the Channel and it was but nine hours to Paris by boat and the Blue Train. As for crossing the Atlantic by Clipper this was, up to the war, regarded as a stunt by American go-getters who wanted their pictures in the newspapers back home. In other words, the Briton's heart was in ships, with a secret liking for trains.

But the war has changed all that. The Englishman is beginning to realize that where there is the sea there is also the sky and that liners must travel in both spheres. He does not altogether enthuse about it, but he sees that he cannot avoid or even postpone the issue.

* * *

So we are going to have the "Brabazon" air liner carrying 50 passengers. This new monster is named after Viscount Brabazon, for a time Minister of Aircraft Production in this war, and the holder of British Flying Certificate No. 1. The fact that "Brab" is in his early fifties yet was the first Englishman to fly shows how young aviation is.

I am glad the liner has been named after him. The British have treated their air pioneers, not with intentional cruelty but with an indifference that was just as bad.

* * *

Alcock and Brown

Hardly anyone remembers the names of Alcock and Brown, the two mad Englishmen who first flew the Atlantic. Alcock is buried in an obscure Lancashire grave and the grey-haired Brown was allowed to retire from the RAF last year with the lowest commissioned rank of pilot officer. Amy Mollison went to her death in the war ferrying machines and her ex-husband, Jim Mollison, is on similar work. Kingsford-Smith of Australia, perhaps the greatest airman who ever lived, went on and on because he had to earn a living and the Empire lost his vast experience and genius when he disappeared on some futile flight.

Yet these were the people who made possible the Merlin engine, the Spitfire and the Lancaster.

DON'T PUT IT OFF ANOTHER MINUTE

Your Will should be planned carefully and frequently rechecked to make sure that it meets changing conditions. Why not see US and your own legal adviser NOW about making a Will — or revising your present one if it needs revision. We'll gladly explain how, as your Executor and Trustee, we can help to carry out your estate plans.

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A message from the Life Insurance Companies in Canada

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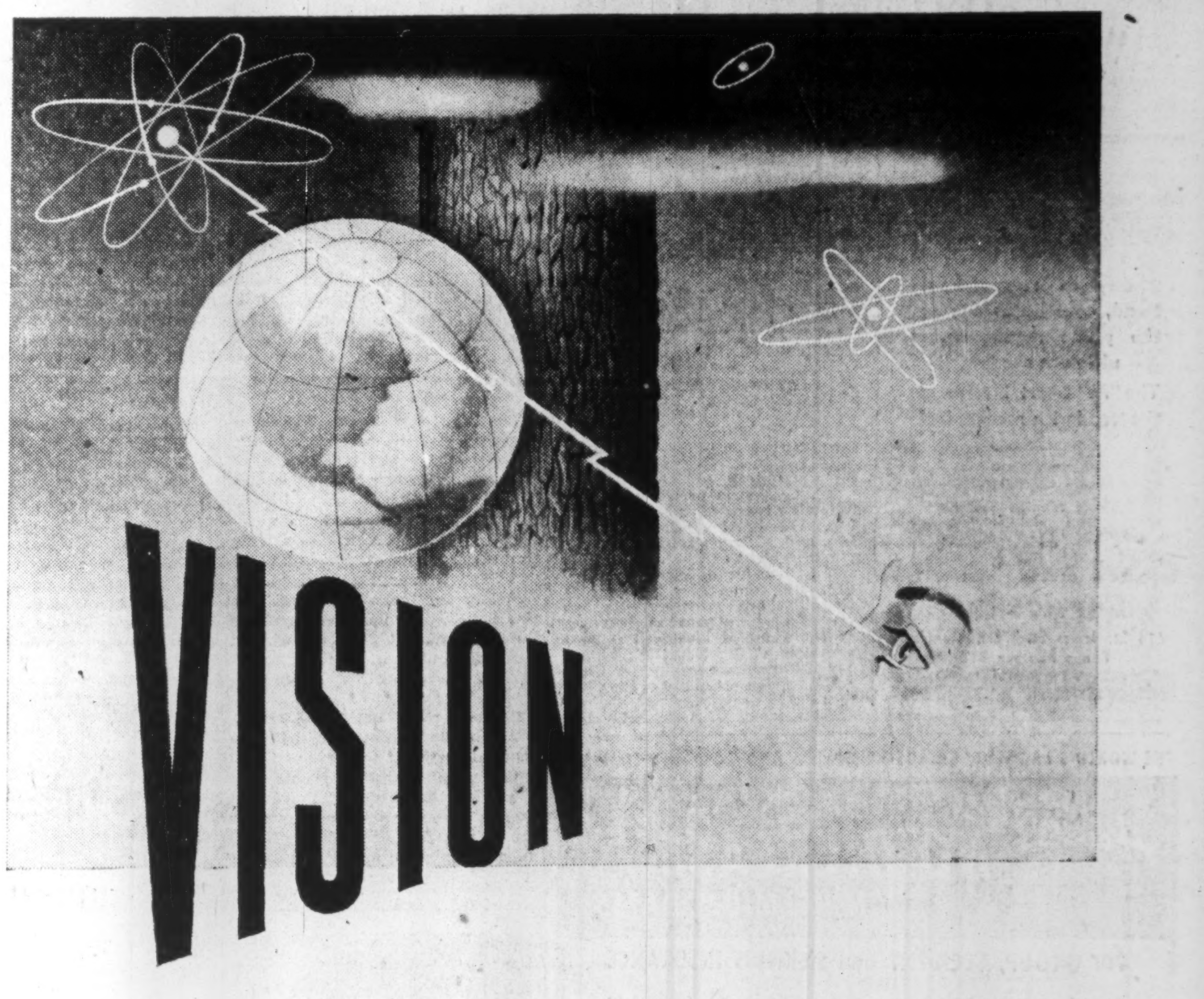

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Under skilled management, chemists, engineers and craftsmen are now employing all our facilities to fulfil wartime obligations. When peacetime plans can be made, a host of new streamlined items will be turned out of our factory. We look forward to the opportunity of serving you then.

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Parallel to Mein Kampf Is Seen in CCF Tract

William Gibson, National Cellulose Head, Points to Fallacies in Recently Published "Make This Your Canada"

In simple layman's language William S. Gibson, president of National Cellulose of Canada, Ltd., has written an exposé of some of the more glaring fallacies of CCF propaganda.

Mr. Gibson directs his attack against "Make This Your Canada," a CCF volume written by David Lewis and Frank Scott. But while Mr. Gibson attacks this work, he does not underrate it, ranks it with Hitler's "Mein Kampf" and Karl Marx's "Kapital" as a potential literary mainspring for a sweeping national movement.

Mr. Gibson's title, "You Knew What You Were Voting For," is itself a quotation from Lewis and Scott. He picked this title because his purpose is to let Canadians know what they are voting for in advance.

Borrowed Prosperity

First point attacked by the writer is the theory that we can borrow our way to continued prosperity.

"The next time, therefore, anyone starts to tell you that the national income has increased threefold," says Mr. Gibson, "just . . . tell them that, as an owner of War Savings Certificates and Canadian Victory Bonds, you expect some day that the money they represent will be repaid to you."

But perhaps a more basic attack is that made against the very concept of a fully planned economy. Says Mr. Gibson:

Defies CCF

" . . . In this greatly involved world, no National Planning Commission, no group of economists, engineers and statisticians can make arbitrary changes in our democratic way of life, and anticipate all the reactions that result because of these arbitrary changes. I am quite sure that the CCF officials think that they can do this. In 'Make This Your Canada,' they say they can do it. I for one will back my experience in actual business with any expert whose name they have yet produced, and I am writing this little book because I do not think that they can do it."

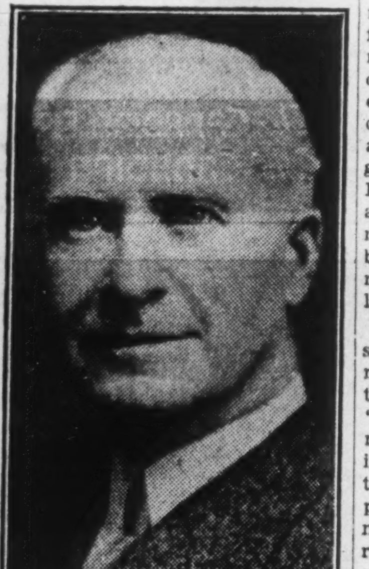
* * *

Promises, Mr. Gibson points out, are easy to make. Performance is another thing. "No group of men have come to power in this country without being extremely lavish in their promises, and the record of the past 50 years is that these promises have been more observed in the breach than in the observance. Then, the CCF movement comes along and they set out very explicitly in 'Make this your Canada,' promises that make all preceding promises of all preceding politicial parties look picayune. Can you blame people for following after false gods when they are promised more in less time than they were ever promised before? We are fortunate that these promises have been set out in detail and at length in 'Make This Your Canada.'"

Socializing Banks

On the subject of socializing the banking system, Mr. Gibson points out the grave danger of political favoritism in making loans and carrying on the day-to-day business of a bank. "The management of government-controlled banks or loan boards could never stand the political pressure that would be put on them, as regards letting the money out on loans in the first place and getting the money principal and interest back in the second place." He points to experiments of various governments in support of this statement. He recommends that the banks do a better job of selling themselves as institutions to the people, as much of the popularity of this CCF plank is based on irrational mistrust of banks in general.

In his conclusion, Mr. Gibson recommends that businessmen take a more active part in politics. "If those associated with business can do acceptable work on boards of trade, chambers of commerce, trade associations, in labor unions, they can also qualify as members of municipal councils or members of Parliament. The owners of our corporations should make it possible for them to serve. They are not doing it now."



William H. Cooper, president W. H. Cooper Construction Co. Ltd., Hamilton, has been elected a director of The Canada Trust Company. He has been identified with the latter institution and also the parent corporation—The Huron & Erie—since 1939 as chairman of their Hamilton Advisory Boards.

Mr. Cooper is president of the following companies: N. Slater Co. Ltd.; Wood, Alexander & James Ltd. and Alliance Lumber Co. Is vice-president of Robt. Soper Ltd. and a director of Mercury Mills Ltd. His community interests in Hamilton are extensive. He has served for many years as chairman of the General Hospital; is past president of the Y.M.C.A.; Chamber of Commerce and Rotary Club, and past vice-president of the Children's Aid Society.

Market Comment

A Dividec' Market

Probably the best interpretation that can be taken from the continued strength in golds and papers, and the failure of this to reflect in industrials, base metals and other indexes, is that the conditions for further advance are favorable, but that the market is awaiting positive news before it attempts to discount the future. The great number of new highs shows that definite favorable news brings a fairly quick reaction—there is obviously plenty of money for investment and a generally favorable investor psychology, but the majority of investors appear to be making sure of their ground before making commitments. It should be pointed out that the action of the weaker indexes is still not sufficiently poor to be classed as bearish. Action still emphasizes the need for caution, but not, as yet at least, for pessimism.

The Magazine of Wall Street—A successful invasion will confront the market— much more emphatically than previous vague hopes—with an "early peace" psychology; and the necessity of getting down to cases in trying to evaluate the implications of the coming transitional phase. To our mind, that suggests market unsettlement and selective readjustment, rather than broad advance. Should the invasion fail, we think the initial implications would be quite bearish. Either way, we continue to lean strongly to the cautious side in investment policy.

* * *

Barron's (New York) The Dow Theorist — A sharp setback in the Dow-Jones industrial and railroad averages last week left interpretation of current conditions under the Dow theory unchanged. If the averages should break decisively through the Nov. 30 lows of 129.57 and 31.50, a bear market would be signaled. On the other hand, if a rise should take the average above the highs of last July (145.82 and 38.30), the bull market would be regarded as resumed.

* * *

Barron's (New York) The Trader —Within the market itself there appear no germs of the serious liquidation which in the very nature of a protracted sweeping movement should, almost seven months after the culmination of a 15-month advance, begin to make themselves felt.

TELEPHONE OFFICIAL

W. P. Montgomery, supervisor of general services for the Bell Telephone Co. of Canada, who succeeds A. M. Mitchell, Edmonton, as secretary-treasurer of the Canadian Telephone Association.

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JOIN ROYAL TRUST BOARD

D. C. Coleman (right), president of the Canadian Pacific Railway, and G. W. Huggett, president and managing director of Canadian Industries Ltd., who have been added to the board of directors of the Royal Trust Co.

Investments

Free Trade and Stocks

At the time it was delivered, there seemed little connection between the speech of Lord Halifax to the Toronto Board of Trade and the stock market. But the prompt reaction of the Prime Minister against a tighter political (and presumably economic) empire, followed as it was by free trade talks with the United States, have definite implications for the Canadian stock markets.

Mr. King and Mr. Roosevelt, both close to highly critical elections, both favorable to freer trade, may wish to culminate their careers by removing the barriers between Canada and the United States, and may wish to do so before the coming election.

It is impossible to predict to what extent free trade with the United States would harm or help Canadian industries. Improved equipment and tighter control of prices and wages will stand us in good stead, but any attempt to measure the relative advantages would be impossible for some time. Some U. S. subsidiaries operating on this side would probably continue much as before, perhaps specializing to a greater extent. A number of other companies would benefit more by having the big U. S. market opened to them than they would lose through increased competition.

But if our closer affiliation with the U. S. cuts us off from the Empire and other export markets—which is one interpretation of the consequences of a rebuff to the Halifax and Smuts proposals—there would be a major unsettlement. The automobile industry with its important Empire market, is one that would be vitally affected.

On the whole, it would not appear wise to become too alarmed over the prospect of freer trade, partly because of the vitality of Canadian industry, and partly because the adjustment looks as though it may take place during the war or postwar boom period. For the cautious, the prospect of some unsettlement might lead to concentration on domestic industries such as the oils, utilities and other service trades and a reduction in holdings of those export companies which might prove vulnerable to U. S. competition. Note that two major groups of Canadian exporters, our pulp and paper industry and our base metal and gold mines, have little to fear from U. S. competition.

* * *

More on Abitibi

Last week, our reports on the tentative Abitibi proposal was praised in some quarters as an accurate portrayal of the position, criticized in others as too pessimistic. Only time, the publication of the full details of the recommendations and the actual working results of the final reorganization can provide the true answer. Our point was, and still is, that there is little basis for unbridled optimism in the first report.

The letter from A. G. Plaxton, of Plaxton, McDonnell & Co., appearing on page 5, would indicate that the bondholders have a good legal claim to interest on back interest. This letter reflects a legal opinion secured by Mr. Plaxton, and, as such, it can and quite possibly will be matched with other opposing opinions. But it does indicate that the opposing viewpoints on Abitibi are still far from reconciled and that there may be a great deal of litigation before such a reconciliation is achieved.

* * *

Loblaw Incorp.

We understand unofficially that Loblaw Groceterias, Inc., which reduced its dividend last November, was conservative in its action and that earnings in the current year should cover the 80 cents a share that will be paid in dividends.

Last November's decision, then announced by the president, F. K. Morrow, came as a result of the adverse effects of rationing and other wartime difficulties. There has been a moderate improvement in the supply situation in the United States, and this will likely be reflected in earnings. It is hardly to be expected that the company will be able to return soon to its old $1 per annum dividend, but there is at least a sporting chance that it could pay more than the 15 cents per quarter that has been the rate for the last two dividends. Apparently there is no question of Loblaw Incorporated's position in the United States, which is understood to be well consolidated and capable of expansion.

* * *

New Highs and Lows

In the week closing Feb. 8, 1944, 47 industrial issues, 23 mining stocks, and four oil stocks made new highs for 1944. New lows were established by four industrials, six mines, and two oils.

INDUSTRIALS

Agnew Surpass, pf.
Aluminium, pref.
Asbestos
Beatty Bros., A
Bell Telephone
Blue Ribbon, pref.
Calgary Pwr., pf.
Can. Found. & F., A
Canada Iron
Do., pref.
Can. Bronze, pref.
Cassidy's, com.
Cons. Press
Dom. Glass, pref.
Dominion Stores
Eastern Steel
Ham. Un. Theat., c.
How. Smith Pap., c.
Huron & E. Mtge.
Imperial Bank
Inter. Metal
Do., pref.
L. of Woods M., pf.
Lang, J. A.
Langley's, pref.
Maclaren Power
Melchers, pref.
Moore Corp., c.
Nat. Grocers, c.
Penmans, pref.
Price Bros., c.
Qubeec Power
Regent Knitting, c.
Do., pref.
Simpsons, (A)
Do., (B)
South. Can. Pr., c.
Standard Clay
Supersilk Hos., (A)
Tooke Bros.
Toronto Mtge.
Traders Fin., (B)
United Distillers
United Fuel (A)
Do., (B)
Viau, pref.
Winnipeg Elec., pf.

New Lows 1944

Belding Cort., c.
Canada Bread, c.
Massey-Harris, c.
Russell Indust., pf.

MINES

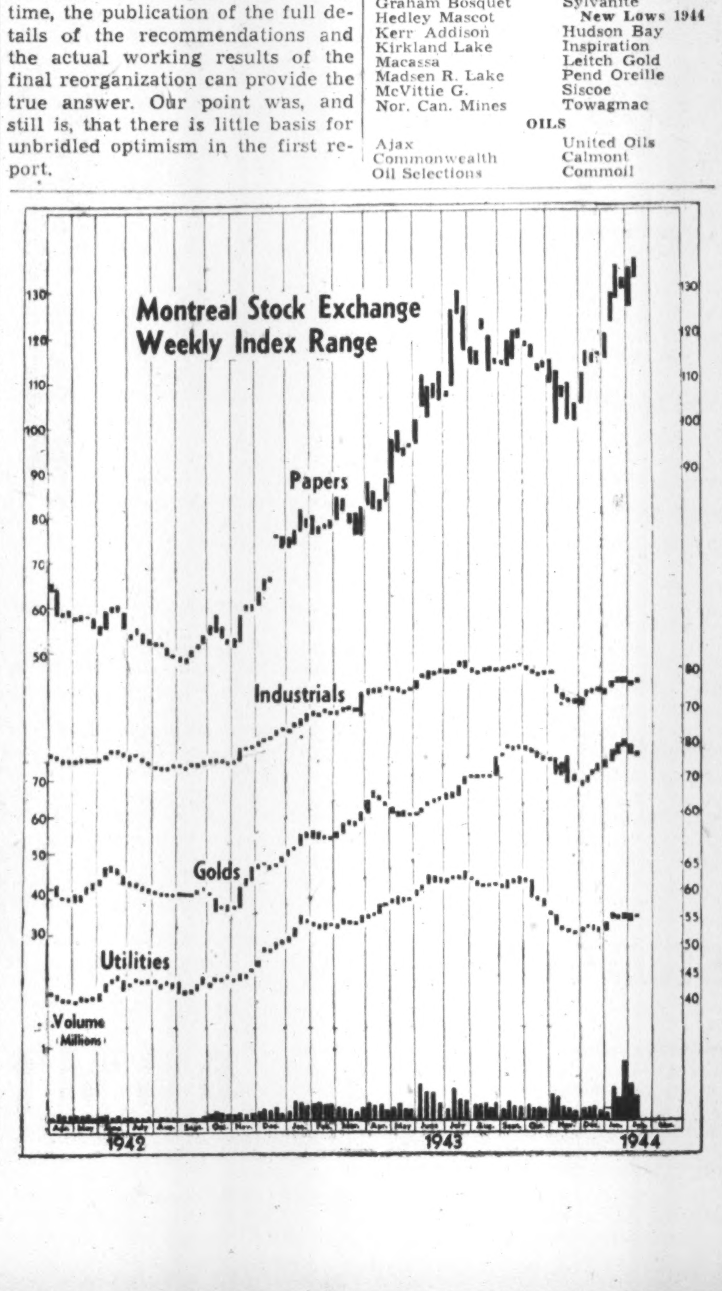
Asteria Quebec
Bagamac
Bear Exploration
Bouscadillac
Castle Trethewey
Chesterville
Delnite
Graham Bosquet
Hedley Mascot
Kerr Addison
Kirkland Lake
Macassa
Madsen R. Lake
McVittie G.
Nor. Can. Mines
Omega
Pandora
Reno Gold
San Antonio
Sheep Creek
Springer Sturgeon
Sullivan Cons.
Sylvanite

New Lows 1944

Hudson Bay
Inspiration
Leitch Gold
Pend Oreille
Siscoe
Towagmac

OILS

Ajax
Commonwealth
Oil Selections
United Oils
Calmont
Commoil



Canada Mach'y Holds Outout

Though no estimate of 1943 earnings is yet available for Canada Machinery Corp., which had net profit of $92,151, or $3.54 per common share, in the year ended Jan. 31, 1943, the company's machine tool business has held up well, The Financial Post is informed, and orders for special equipment have recently been received from Canadian railroads.

Foreseeing a drop in Canadian demand for machine tools, Machinery Corp. early in 1943 began seeking export business with the idea of keeping up the high rate of production that had been established. These efforts bore fruit in the shape of an order received from Russia six months ago for 50 lathes and shapers.

Rail equipment orders are mostly for a patented device the Ericson patent rail anchor. This article is designed to prevent rails from creeping on the ties, particularly in the case of tracks bearing one-way traffic.

CNR Names Hawken Assistant Secretary

Evan B. Hawken, formerly staff registrar, Canadian National Railways, Montreal, has been appointed assistant secretary of the system according to announcement made by W. H. Hobbs, secretary of the National system.

E. B. HAWKEN

Mr. Hawken was born in Ottawa in 1895, and received his education at the public and high school of commerce in the capital city. In 1912, he joined the staff of the Grand Trunk Railway, at Ottawa, as junior clerk and later became secretary to the superintendent.

In 1918 he enlisted in the 72nd Field Battery CEF, and in 1920 returned to railway service as chief clerk with the Grand Trunk Arbitration Board at Montreal. In 1922, Mr. Hawken became secretary to the vice-president and later transferred to the bureau of economics, as secretary to the director. In 1929, he became office assistant and, in 1930, chief clerk to the chairman and president. Mr. Hawken was appointed staff recorder in 1932, and staff registrar in 1940, which position he retains with his new appointment.

Unlisteds Show Stronger Tone

Plaxton, McDonnell & Co. state that with a few exceptions, strength was again shown among unlisted industrial stocks.

Atlas Steels common lost ½ at 25¼ to 26.

Brantford Roofing common was fractionally stronger at 6¾ to 8¾.

Brown Co. pref. firmed ⅛ at 36 to 38½.

Burns (A) eased fractionally at 11¾ to 12¾.

Burns (B) gained ¾ at 7¾ to 8¾.

Canadian Industries (B) lost 2 points at 149 to 152.

Canadian Westinghouse gained 1 point at 49½ bid.

Enquiries developed for Corrugated Paper Box junior securities, following declaration of final payment on preferred arrears. The common advanced ¾ at 3½ to 4¼. The income rights were fractionally stronger at 7 bid.

Dunlop Tire pref. gained ¼ at 25 to 25¾.

Minn. & Ont. Paper common lost fractionally at 10⅝ to 11⅛.

Mount Royal Hotel common gained ¼ at 3¾ bid.

Distillers Corp.-Seagrams report that during January it purchased for retirement and cancellation on account of sinking fund, 3,480 shares of preferred stock, thereby reducing the number of shares outstanding to 139,727 at the end of the month.

NOTICE OF REDEMPTION

Graton Roman Catholic Separate School District No. 13 of Saskatchewan 4% Debenture Bonds

Notice is hereby given that pursuant to the terms of an agreement dated the 10th day of September, 1943, between the Board of Trustees for the Graton Roman Catholic Separate School District No. 13 of Saskatchewan and Perry S. Bower, representative of the holders of debenture bonds of the said School District, the Board of Trustees of the Graton Roman Catholic Separate School District No. 13 of Saskatchewan has elected to redeem and pay off on the first day of March, 1944, debenture bonds numbers 7, 8, 9, 10, 11, 12, 13, 14, and 15, issued under the said agreement, and that accordingly, upon presentation and surrender of such bonds with all unpaid coupons appertaining thereto at the Bank of Montreal, Regina, Sask., on the first day of March, 1944, the Board of Trustees of the said School District will pay the principal amount of such bonds with accrued and unpaid interest to the said first day of March, 1944, and that after the date so fixed for redemption the bonds so to be redeemed shall cease to bear further interest.

Dated this 25th day of January, 1944.

GRATON ROMAN CATHOLIC
SEPARATE SCHOOL DISTRICT
NO. 13, OF SASKATCHEWAN.
By J. J. Gleason, Treasurer.

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Mtl. Tramways Study Subways

From Our Own Correspondent

MONTREAL. — Montreal Tramways Co. expects to complete its study of traffic movements and engineering problems in relation to the construction of subways in Montreal some time around the end of March. This work is being undertaken at the request of a subcommittee on transportation of the Greater Montreal Economic Council, according to R. N. Watt, president of the company.

The studies being made are associated with contemplated postwar projects, said Mr. Watt, who added that the company expects to send its report and conclusions, with estimated costs on the building of subways, to the subcommittee.

Meanwhile the Greater Montreal Economic Council "has no mind on the matter until we have the facts before us," states George Mooney, chairman, when asked to comment on the survey.

The subcommittee, appointed to enquire into and report back on the whole matter of transportation, including subways, will make its report, along with any recommendations, to the council executives after receiving the report from the tramways company, Mr. Mooney said.

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Sound Growth Reported for Equitable Policyholders

Balance Sheet, December 31, 1943

ASSETS

Real Estate:		
Office Premises	$ 87,500.00	
Other (Held for Sale)	157,864.90	
		$ 245,364.90
Mortgages on Real Estate		8,062,621.13
Agreements for Sale		693,407.70
Loans on Collateral		878.74
Loans on Policies		1,177,765.09
Bonds and Debentures		4,075,846.03
Stocks		96,266.00
Cash on hand and in Banks		25,417.10
Interest Accrued		54,232.89
Premiums Due and Deferred (Net)		185,456.22
Other Assets		1,309.20
TOTAL ASSETS		$14,618,565.00

LIABILITIES

Policy and Annuity Reserves	$12,484,898.00
Provision for Unpaid and Unreported Claims	213,717.00
Amounts left with Company at Interest	287,099.00
Premiums Paid in Advance	16,090.87
Interest Paid in Advance	1,109.39
Taxes, Expenses and Accounts Due and Accrued	41,559.20
Other Liabilities	7,137.93
Dividends Allotted to Policyholders	20,746.00
Staff Pension Fund	50,113.00
Investment and Contingency Reserves	450,000.00
CAPITAL PAID IN	327,155.00
SURPLUS	718,939.61
TOTAL LIABILITIES	$14,618,565.00

Policy Reserves increased by $554,149 . . . Death Claim payments made of $301,232 and payments to living policyholders of $358,911 . . . Insurance in Force increased to $45,869,871 . . . Gross rate of interest earned on ledger assets 5.2%.

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INSURANCE COMPANY OF CANADA
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Government, Municipal
and Corporation Bonds

Milner, Ross & Co.
Toronto

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6% Cumulative Redeemable Preferred Stock
$25 Par Value

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Abitibi Interest on Interest

Bondholders' Rights Discussed By A. G. Plaxton

As regards interest on interest, the view of the Ontario Government Abitibi Committee is reported diametrically opposed to that expressed by the Royal Commission which made its enquiry in 1940 and 1941. A. G. Plaxton, of Plaxton, McDonnell & Co., Toronto, discusses bondholders' legal rights in this important matter.

The 1940 Royal Commission appointed by the Ontario Government definitely recognized the right of the bondholders to "interest on interest." More recently the Ontario Government Abitibi Committee, it has been reported, take the opposite view.

The provisions of the Indenture and Mortage securing the Abitibi Bonds are, it is true, not very satisfactory on this question. Paragraph 25 of the Bond Mortgage provides, in part, as follows:

"In case the security hereby constituted shall have become enforceable as herein provided . . . The Canadian trustee . . . shall take possession of, collect and get in all or any part of the mortgaged premises . . . Provided, however, that the Canadian trustee shall . . . (in certain conditions enumerated) . . . restore the said property and business to the Company and pay to it the remainder of the monies so received **after payment of the coupons due and unpaid in the order of their maturity with interest thereon at the rate per annum which such Bonds bear** and before any such restoration of said property and business to the Company the trustee shall so long as the Canadian trustee continues to carry on the business of the Company, have the right in their discretion if there are any monies available for the purposes from time to time **to pay coupons due and unpaid in the order of their maturity with interest as aforesaid . . . .**"

The above provision it might be observed is not in the form of a covenant to pay. It is, however, an express provision contained in the Bond Mortgage and it does recognize a case for the payment of interest on interest.

After default the bondholders were entitled to enter into possession of the mortgaged premises. They were also entitled to secure judgment for the amount of principal and unpaid interest and in such case they would have been allowed at law under the Interest Act 5% per annum on the amount owing in respect of both principal and interest. Thus, they would have received upon their claim interest on interest, which is now disputed.

This procedure, however, was blocked by the passage of the Ontario Abitibi Moratorium Act of 1941 which was passed to ensure a sufficient delay to permit all interested parties, if possible, to work out a satisfactory plan or reorganization. This was the sole purpose of the Ontario Government in passing this Moratorium Act. It was never intended to deprive the bondholders of any of their legal rights nor did it do so.

It is submitted that it would now be unconscionable to treat the bondholders in any way different than the way in which they would have been treated had the claim proceeded to judgment and foreclosure when interest would have been allowed at the rate of 5% per annum on both the principal and overdue interest found due to them. It is quite possible, however, for the sake of reaching an amicable settlement between all parties interested in this important Company that the bondholders may be willing to accept stock, either preferred or common, for the unpaid "interest on interest."

In any event, however, as to the balance of their claim, consisting of both principal and interest and U. S. premium, undoubtedly the bondholders should be paid interest on the whole amount for the period or periods over which the payment thereof is deferred.

A. G. PLAXTON,
February 7, 1944.

February Dividends Show Slight Loss

Preliminary Estimate Shows Decline of $246,628 From Same Month in 1943 — One New Payer Reported

Dividends for Feb., 1944, according to The Financial Post's preliminary estimate, will aggregate slightly less than for Feb., 1943. The indicated total this year, which may be increased by further declarations later in the month, is $9,442,009, or $246,628 down from the Feb., 1943, figure of $9,688,637.

So far this month no Canadian company has announced a dividend cut, though one dividend has been deferred. Five companies are paying extras, one is making an initial payment, and one a payment on arrears.

Pending clarification of taxation on the company's operations, Power Corp. has deferred the regular half-yearly disbursement of 15 cents in force since Feb. 1, 1941. Milton Brick Co. is making an initial payment of 2½ cents, and Simpson's are paying $2 on preferred arrears. List of payments for the month follow:

Monthly Dividends

	1944 $	1943 $
January	21,013,084	20,222,823
February	9,442,009	9,688,637
Total	30,455,093	29,911,460

Company	Rate	Date	Amount
Industrials and Utilities			
Alum. of C. pfd.	1.25q	1	187,500
Anglo-Can. Tele., pfd.	.68¾q	1	56,787
Atlas Steels	.15q	1	25,032
Ault & Wiborg, pf.	1.37½q	1	6,182
Bertram & Sons	.15s	15	9,000
Do., extra	.05	15	3,000
Blue Ribbon, pf.	.62½q	1	18,656
B.C. Tele. 2nd pf.	1.50q	1	67,500
Calgary Power, pfd.	1.50q	1	88,500
Caldwell Linen	.25	1	10,000
Do., 1st pf.	.38q	1	5,700
Do., 2nd, pf.	.20q	1	5,000
Canada Starch, pfd.	3.50s	15	107,418
Can. Bronze	.37½q	1	30,000
Do., extra	.50	1	40,000
Do., pref.	1.25q	1	9,375
Can. Pac. Rly., pf.	2%	1	2,745,138
Conduits National	.25	7	20,200
Consumers Glass	.50q	29	159,785
Cosmos Imperial	.30q	15	30,000
Do., extra	.15	15	15,500
Crown Cork	.50q	15	50,000
Distillers-Seag., pfd.	†1.25q	1	179,008
Dominion Bridge	.30q	25	154,185
Dom. Fabrics	.20q	1	14,000
Do., 1st. pf.	.75q	1	6,750
Do., 2nd, pf.	.37½q	1	7,500
Dominion Tar, pfd.	1.37½q	1	69,230
Gen. Steel Wares, pfd.	1.75q	1	78,750
Gordon & Belyea (A)	2	1	4,400
Do. (B)	.40	1	370
Granby Elastic, pfd.	.69q	1	6,408
Inter. Metal, pf. A pf.	1.50q	1	67,807
Inter. Utilities pr. pf.	†.87½q	1	85,198
Loblaw Groc. Inc.	†.15q	25	51,823
Milton Brick	•.02½	1	5,786
Ontario Steel	.25q	15	12,110
Do., pref.	1.75q	15	6,304
Penmans	.75q	15	48,388
Do., pref.	1.50q	1	16,125
Prov. Transport	.20s	15	50,000
Quebec Power	.25q	25	138,299
Quinte Milk	.10s	1	4,250
Do., extra	.05	1	2,125
Rolland Paper, c.	.15q	15	9,000
Saguenay Pwr., pfd.	1.37½q	1	68,750
Shawinigan W. Pr.	.23q	25	500,997
Sher. Wms., ord.	.15q	1	30,000
Simpsons, pf.	1.62½q	1	182,812
Do., arrears	2	1	225,000
Slater, N.	.30q	1	11,250
South Can. Pwr., c.	.20q	15	80,000
St. Law. Flour	.35q	1	12,600
Do., pref.	1.75q	1	9,775
Steel of Canada	.75q	1	345,000
Do., pref.	.75q	1	194,889
Weston, Geo., pfd.	1.25q	1	21,875
Wood, A & J, pfd.	1.75q	1	11,375
York Knitting	.20s	15	45,802
Do., pref.	3.50s	15	5,250
Do., 2nd pf.	3.50s	15	10,500
Zellers	.20q	1	25,000
D.o, bonus	.20	1	25,000
Do., pref.	.37½q	1	11,250
Total			6,525,214
Mining Companies			
Inter. Nickel, pf.	†1.75q	1	483,486
Kerr Addison	.05	29	236,515
Kerr Lake Gold	.05	29	30,000
Lamaque Gold	.10	1	300,000
Leitch Gold	.02q	15	57,000
Privateer Mine	.01q	10	24,540
Teck Hughes	.10	1	480,714
Toburn Gold	.01q	22	18,500
Upper Can. Mines	.02½q	29	74,075
Total			1,704,830
Oil Companies			
Canadian Oil, c.	.25q	15	35,941
Commoil	.00½	25	5,669
Federated Pete.	.01	21	14,769
Total			56,379
Financial			
Can. Bk. of Com.	1.50q	1	450,000
Can. & For. Secs.	.06a	1	27,000
Can. Inv. Fd. sp. ord.	.04q	1	98,933
Can. Investors	.10q	1	10,000
Comm'wlth Intl	.04q	15	5,983
Dominion Bank	2q	1	140,000
Equitable Lif e	.15a	20	9,815
Hydro-Elec. Secs. B p.	.25s	1	165,240
Imperial Bank	2q	1	140,000
Mtge. Corp. N.S.	1.25q	1	8,500
Royal Trust	.80q	1	80,000
United Corp. (A)	.38q	15	20,115
Total			1,155,586
Grand total			9,442,009

q Quarterly. s Semi-annually. a Annually. † N.Y. funds. • Initial.

Porto Rico Pays $150 a Share

Another $16.66 Possible When Rights of Preferred Determined

From Our Own Correspondent

MONTREAL. — Court authority has been given for the immediate distribution of $6,006,328 to shareholders of Porto Rico Power Co., subsidiary of International Power Co.

On Feb. 2 next the liquidator, Montreal Trust Co., will distribute $5,506,328. Of this sum $100.632877 will be paid out for each of the 10,000 preference shares. This will represent repayment in full, plus payments of dividends accrued and unpaid at time of distribution.

Common shareholders will receive $150 for each of the 30,000 shares outstanding.

The balance or $500,000 will be set aside as a second installment until the respective rights of the preferred and common shareholders have been determined.

To this end the liquidator has petitioned the Superior Court for a ruling to the effect that the preferred are entitled only to payment by priority of $100 a share, plus accrued and unpaid dividends, while the $500,000 should be distributed to the common stockholders at the rate of $16.66-2/3 a share.

Practically all of the common stock is owned by International Power Co.

John Bertram Earnings Hold

Agency Business Lower in 1943 but Exports and Rail Work Increase

Earnings for 1943 of John Bertram & Sons Co., machine tool manufacturers and agents, Dundas, Ont., were substantially the same as for 1942, A. E. R. Turner, the company's vice-president, informs The Financial Post. Earnings for 1942 were $4.01 per share on the common. In both years, common dividends of 40c. were paid.

Agency business for U. S. machine tool firms declined in 1943, as did the domestic demand of war plants for certain machinery such as gun-boring and gun-rifling lathes. Offsetting this, however, export business in standard lines of manufacture—boring mills, turning lathes, and the like—improved, and the company in addition filled fair-sized orders for railroad equipment from Australia and Egypt.

Outlook for 1944 is that the company will certainly be kept busy for several months filling orders on hand. These include a substantial order for railroad equipment from Russia. Orders from Canadian railroads are anticipated.

Conduits Nat'l Earnings Drop

Reduction from '42 Results from Slackening of De-Gaussing Job

Working normal shifts again in 1943, after two years of night and day, Conduits National Co., The Financial Post is advised, made a net profit of approximately $65,000, or 40 cents a share, last year, as compared with $90,462, or 56 cents, in 1942. (Both figures include refundable taxes.)

During 1941 and 1942, Conduits National was at it 24 hours a day in both its Montreal and Toronto plants. De-Gaussing, the answer to Hitler's magnetic mine, called for conduit, six lines of it, strung from stem to stern of every United Nations ship.

There are still some big jobs on hand, states a company executive, who looks forward to exceptionally good business after the war.

At present Conduits is taking care of all the work it can handle in ordinary shifts, and continues to have its special worries about help. Not classified as an outright war plant, the company is permitted to pay only 55 to 60 cents an hour plus the cost-of-living bonus, whereas war plants may pay 75 to 80 cents. Other costs are up.

Dominion Coal Co. Production Improves

Dominion Coal Co.'s collieries produced 328,498 tons of coal during January. This is a more favorable showing. While still under the Jan., 1943, figure of 336,963 tons, the decline is less than usual.

ELECTED TO MONTREAL CURB
Arthur E. Jukes, of Vancouver, B.C., has been elected a member of the Montreal Curb Market.

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Three of a kind!

CANADIANS ARE ALL ALIKE in one important respect. They do their *own* thinking and get there under their *own* power. It's a national characteristic.

No pampered or servile people could have built *this* nation. It took men of courage and moral fibre to clear the forests, dig the mines—to build our farms and factories, our cities and our towns—to give us a standard of living that is the envy of the world. Canada's greatness stems directly from the self-reliance and initiative of individual citizens. These qualities provide a sure foundation on which to build for tomorrow.

What is PRIVATE ENTERPRISE? It is the natural desire to make your own way, as far as your ability will take you; an instinct that has brought to this continent the highest standard of life enjoyed by any people on earth. It is the spirit of democracy on the march.

THE ROYAL BANK OF CANADA

The Editorial Page . .

Annual Addresses

At this season of the year, Canadians are reading the views of our most able leaders in commerce and finance. It is not unreasonable to claim that no country is more conscientiously and intelligently served. Our corporation presidents and directing executives are, with few exceptions, men of character, of ability and of good business repute. Because of their official position, they are not private citizens, but trustees and servants of the people of Canada, responsible for their savings, for employment.

Hence, well considered annual utterances deserve cordial, sympathetic consideration. The views are the result of long practical experience.

These statements have real value. They make an increasing number think soundly, and, over the years, the policies advocated are absorbed. Too often, not until theorists with untested schemes have had their costly experiments, does the public turn to and listen to those with experience.

The misfortune is that the views of our ablest men are heard but once a year. They are not persistently repeated in the form of language that gets to the audience that most needs the message.

On the other side are those surrounded by the theorists, the discontented failures, and the self-seeking. They are well organized for carrying on their appeals day after day, night after night, and all day Sundays, with persistent misrepresentation.

Business leaders have a responsibility to themselves, their employees, their shareholders and to the society which gave them their opportunity, to speak frankly and openly.

It Would Happen Here

The inefficiency, graft, corruption and generally intolerable conditions of working and living which have resulted from the Nazi system in Germany is most recently and most authoritatively reported by a Swedish journalist who left the Reich only a few months ago.

In his book, "Behind the Steel Wall," published in Canada by Macmillans, Arvid Fredborg gives a sidelight on what happens to society when law is taken out of the hands of the people as a whole and goes into the hands of a political party representing some of the people.

In Nazi Germany, be it remembered, are two sets of "Government" officials; two armies; one set represents the Government, in this case masquerading as representative of the people as a whole; the other, representing the Nazi party.

Fredborg writes:

"The Nazi Party administration is a burden not only to the German government, but also to the German society as a whole. On one side stands the social and economic hierarchy of the government, which regulates relations between the director and a foreman in his factory, between the owner of an estate and his hired man, or between the head of a German legation in a foreign country and his porter.

"But if it happens that the foreman, the hired man or the porter are 'higher up in the Party' relations may be suddenly reversed and the boss himself has to take the orders.

"Many have been attracted by the idea that 'the last shall be first,' but in its German form it breeds incompetence to a degree unthinkable in the democratic countries.

"If a British or American official makes himself unbearable, it is usually easy to have him removed; the people themselves take care of that. But in Germany it is impossible to get rid of a Nazi who has ingratiated himself with his superiors in the Party . . . The system . . . invites corruption and favoritism . . . striking at the base of the whole social structure."

This Nazi party system deserves the attention of Canadians, for if this country carries its flirtation with the CCF into an affaire, we shall inevitably see a similar situation arise here.

Mr. Coldwell, personally, may profess the most sincere ambitions to maintain the sovereignty of parliament. His noble aim is doomed.

Around and behind him are people whose political gospel is strictly totalitarian and who regard parliamentary traditions as mediaeval trappings that can be junked.

Each step Mr. Coldwell takes in implementing his socialization program will involve him inevitably in taking steps which he does not now contemplate or which he hopes to take much later. He will be swept up in the whirlwind he has touched off.

Swiftly, one after the other, he will inevitably find himself obliged to restrict, suspend or remove altogether individual liberties, regulations providing for due process of law for all citizens.

Finally, by turning a large proportion of Canada's entire working force into employees of the Socialist government, he will have created a party machine as dependable and as controllable as that of the Nazis.

Cost of Action vs. Inaction

The wrong time to cry extravagance is when the city planning brains for Toronto, or Montreal, or Halifax, come forward suggesting plugs for leaks in the municipal economy.

The right time to cry extravagance is when administration and public ignores the ramshackle inefficiency and spirit-deadening squalidness which is blighting our proudest cities. There is extravagance in slums because they shape poor citizens and worse workmen, foster delinquency, disease and unrest.

Is it really cheap to perpetuate these conditions? Or is it cheaper to frame schemes for fulfilment in ten, twenty or fifty years for zoning, traffic ways and slum clearance, and to start moving toward their achievement?

Haligonians, Montrealers and Torontonians should examine what is in and behind the plans submitted for their cities. They should criticize, analyze and debate. They should weigh the cost of starting on some decisive and intelligent action against the cost of doing nothing.

"Not Fully Realized"

We trust some of our contemporaries and readers saw the latest revelation of Canada's contribution to the RAF. Several times we have emphasized the fact and had people swinging haymakers at us, alleging that we were trying to grab glory for Canada, tearing down the Empire and perpetrating other crimes.

Speaking in Montreal J. W. G. Clark, director of information for the armed services, said that for every Canadian fighting as aircrew in RCAF squadrons overseas, there are 10 other RCAF men flying with RAF squadrons. He said: "This is a brilliant highlight in Canada's war effort. I am not sure, however, that Canadians, or for that matter British and Americans, fully realize this fact."

Neither are we.

L'Affaire McNaughton

Brickbats, and vegetables have also been streaming in our direction (see above) as a result of an editorial in the January 1 issue. We commented on the retirement of Lt. General McNaughton in the light of accurate information which we had from both Ottawa and London and enraged some editorial writers and readers who, obviously lacking that background, at once denounced us as malicious and incorrigibly wrong-headed.

General McNaughton's retirement was announced to be the result of ill health. We didn't mention his health or lack of it in our comment. We pointed out that the public should get clarification on the whole matter and said that the reason for his retirement would probably be one or all of the following reasons. The Financial Post said:

"The most important of the factors (which led to his retirement) were—(1) the opposition of high ranking British staff officers to McNaughton's restless, inquiring and inventive genius; (2) the collapse of the original plan for a separate Canadian Army with its own independent supply lines and ancillary troops; (3) the fortunes of war itself which robbed General McNaughton in the early stages of an opportunity to prove himself in the field of battle."

Now, six weeks after that was written, what is the evidence? General McNaughton says his health is fine and he is taking a skiing holiday. Newspaper reports from Britain state bluntly that he didn't get on with General Montgomery.

We repeat: Parliament and the Canadian people should be told the whole story.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

U. S. Must Employ 9 Million More Than Pre-war

Some 24,500 top notch U. S. businessmen in 1,230 communities in every state in the American union are now organized and working to make specific plans now for greater peacetime production, hence greater employment.

They are the members of the Committee for Economic Development which is organizing U. S. business to support of the gospel that the enterprise system must accept and successfully meet the challenge for providing full employment.

CED Committees are now mobilizing some 48,000 industrial firms representing 73% of America's total factory output.

This most dynamic and specific of all postwar planning bodies has just issued its first annual report. Herewith a digest of that report.

The CED holds as fundamental the belief that the national welfare will be advanced in direct proportion to the number of workers employed by private business enterprise.

Success in this endeavor will result not only in the elimination of mass unemployment but also in higher standards of living than we have ever known.

Failure will leave us with only two alternatives: mass unemployment or mass government employment. The Committee believes that the existence of the free enterprise system and of democracy itself depends largely upon our ability to avoid these two dangers after the war.

Now, some 62 million persons are gainfully occupied in the U. S. including more than 10 millions in the armed services. These figures compare with about 46.6 millions gainfully occupied in 1940 including 600,000 in the armed services. At this time, somewhere between six and nine million members of the working population were unemployed.

Dept. of Commerce estimates the total number who will seek work after the war,—assuming 1946 to be the first postwar year—will be about 59.5 millions and that a satisfactory employment goal will be reached if a total of about 57.5 million jobs can be provided.

If we assume that 2.5 million men will remain in the armed service, we arrive at a goal of 55 million jobs for total civilian employment or some nine million more than were employed in 1940.

The problem is complicated by the tremendous strides in industrial technology which have taken place during the war.

In 1940 with 46 million civilian workers employed by private enterprise and government, the gross output of goods and services in the U. S. was $97 billions.

Dept. of Commerce experts estimate that with 55 million civilian workers employed by private enterprise and government after the war, our gross national output of goods and services could amount to more than $140 billions in terms of 1940 prices.

This means that an increase in total employment of some 20 to 25% would be accomplished by a gain in the physical volume of production of about 45%.

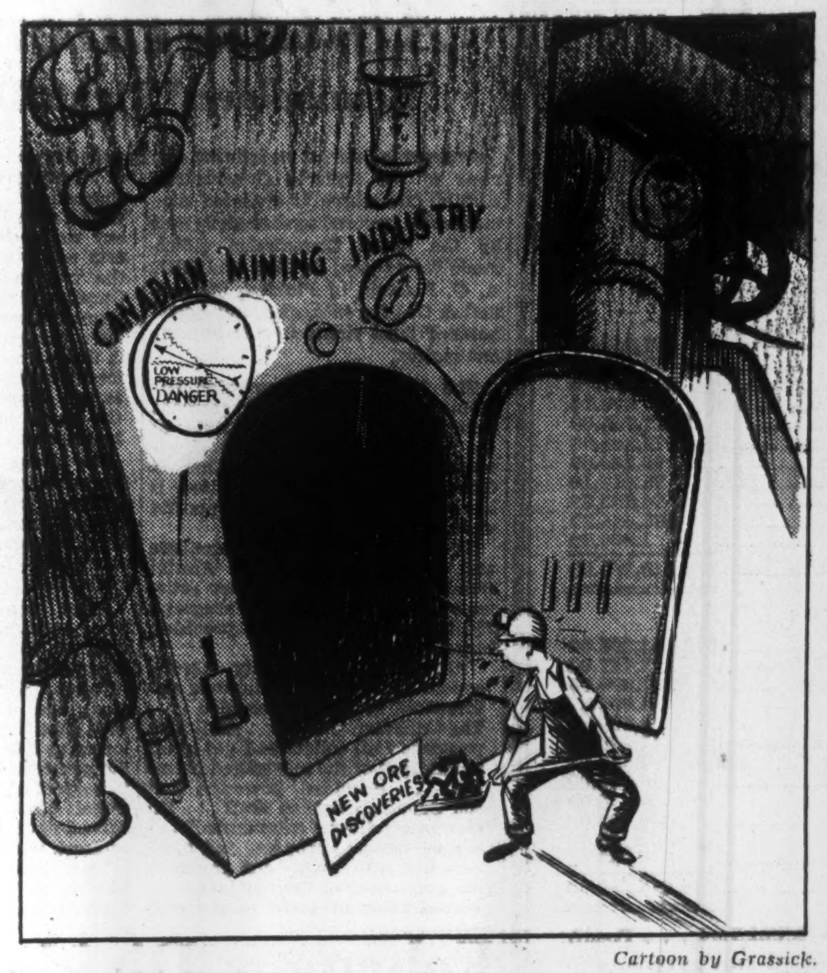
From another angle, these government experts estimate that, if production in 1946 is no higher than the level of 1940, the number of unemployed may reach the staggering total of 15 millions or more compared with the six to nine millions unemployed in 1940.

From these facts and the conviction that the American people will not tolerate a prolonged repetition of pre-war unemployment conditions, the CED has drawn the following conclusions:

A proper target for peace will be about 55 million civilian jobs. If civilian government employment does not exceed the pre-war level of some four million workers at federal, state and local levels, we shall have a target of somewhere in the neighborhood of 51 million jobs to be provided by industry, commerce, agriculture, the professions and domestic service.

If American business is to do its share in scoring a bull's eye on this target, it will be to raise its sights to much higher levels of production than ever attained before in times of peace. The problem involves not merely a reconversion of industry to peacetime production. That will be relatively easy to accomplish. What is called for is the much more difficult objective of reconversion accompanied by a substantial and rapid expansion.

Time is of the essence. At the end of the war an enormous mass of individual savings will be available to meet deferred wants of our population. If the required high levels of production and employment are not rapidly attained, we shall be threatened with a dissipation of savings, with the destructive effects of inflation and the paralyzing influence of mass unemployment upon all policies, domestic and international.



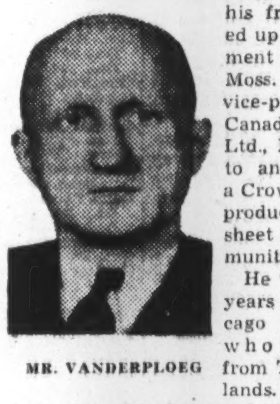
Cartoon by Grassick.

News item—Only 5% of Ontario's mine output comes from mines found since 1930.
YOU'LL NEVER KEEP THE MACHINERY GOING THAT WAY.

Post-Scripts . . .

New Anaconda Chief

Settling into stride as new general manager of Anaconda American Brass Ltd., New Toronto, Jacob Smith Vanderploeg is one of Canada's number one U. S. citizens. After 16 years as sales manager of the company, during which he became widely known in the metals industry, "Van," or "Jake" as he is variously called by his friends, moved up with retirement of M. S. Moss. He is also vice-president of Canada Strip Mill Ltd., New Toronto and Montreal, a Crown company producing brass sheet and rod for munitions.



MR. VANDERPLOEG

He was born 45 years ago in Chicago of parents who emigrated from The Netherlands. They took their son, when he was four, to live on a Michigan farm, returning to Chicago when he was 11. Young Vanderploeg later left school to enter a law office and then gravitated to Kenosha, Wis., where he joined the American Brass Co. in 1914 as stenographer.

When the U. S. entered World War I he joined the army, saw action in France with the Red Arrow Division, got a shot of blister gas that made him prematurely semi-bald. Still 20 at the Armistice he had advanced to regimental sergeant-major. Resuming work at Kenosha in 1919 he was transferred to the company's Buffalo branch a year later.

"Jake" Vanderploeg came to Canada in 1922 when American Brass bought Brown's Copper & Brass Rolling Mills, New Toronto, which was reincorporated as Anaconda American Brass Ltd. He became sales manager five years later.

Member and occasional player at Lambton Golf Club, Mr. Vanderploeg keeps his 5 ft. 9 in. and 160 lb. in sharp form with regular exercise, victory gardening, war service campaigning, blood donations, animated story-telling among intimates and energetic days at his office desk and plant tours. He has deep-set Dutch blue eyes in a ruddy face, sandy brows.

Mr. Vanderploeg likes to talk of his old Red Arrow Division, which has seen service in New Guinea since Oct., 1942.

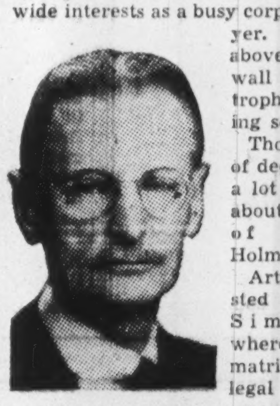
In Toronto he joined the Queen's York Rangers (Reserve) in 1940 as a private, received his commission in 1941, rising to major last year.

His wife is a Canadian, Margaret Eleanor Dunham, whom he married in 1933; they have a son 9, a daughter 6.

• • •

Lawyer Director

Arthur Wellesley Holmested, K.C., recently elected a director of the Dominion Bank, has a big row of corporation seals on top of a bookcase—just a hint of his wide interests as a busy corporation lawyer. And just above them on the wall are fishing trophies and hunting scenes.



MR. HOLMESTED

Those two sets of decorations tell a lot of the story about what kind of man Mr. Holmested is.

Arthur Holmested was born at Simcoe, Ont., where he took his matriculation. The legal profession was a tradition in his family, many of his relatives, including his grandfather, being lawyers. Before starting the actual study of law, he took a business course at the Canada Business College, Hamilton. He then went to Osgoode Hall, from which he graduated in 1900. As a student he was articled to the then firm of Clark, Macpherson, Campbell and Jarvis in Toronto. After his call to the bar he became a partner in the firm of Rowan, Ross & Holmested. Later he was in partnership with the late James L. Ross and then formed a partnership with L. V. Sutton, the firm now being Holmested, Sutton, Hill & Kemp.

Friends say that when he is not practicing law he is fishing. He has fished in various parts of North America, including Florida, Newfoundland and Nipigon, taking tarpon, bass or trout with equal zest. Apart from fishing, he finds relaxation on his farm in the Caledon Mountains, about 40 miles from Toronto, where he has a Jersey herd of which he is very proud.

On the board of many Canadian industrial and mining companies, and now the Dominion Bank, he is well known as president of Page-Hersey Tubes Ltd.

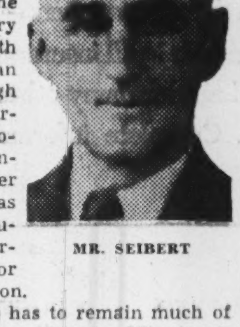
He is also president of Page-Hersey Export Co., Page-Hersey Trading Co., Nepage Securities Ltd., Dominion Telegraph Securities Ltd. He is a director of Anthes-Imperial Ltd., Canada Bread Co., Central Porphyry Contacts Ltd., Continental Kirkland Mines Ltd., Empire-Hanna Coal Co., Imperial Iron Corp., Lombard Realty Co., Morrison Brass Corp., Port Hope Sanitary Manufacturing Co., The James Morrison Brass Manufacturing Co., and Toburn Gold Mines Ltd.

• • •

Resources Expert

Anything to do with Canada's natural resources is a hobby as well as a job for Fred V. Seibert, Industrial Commissioner for the CNR and new president of the Manitoba Chamber of Mines.

Fred Seibert has studied intimately the natural resources of the country since boyhood when he explored the Bruce country timberlands with his lumberman father, through years of land surveying for Dominion Government and later years of work as the C.N.R.'s supervisor of natural resources for the western region.



MR. SEIBERT

Now, when he has to remain much of the time in his office in Winnipeg's CNR station, he keeps in close touch with the wide reaches of his territory by means of a comprehensive collection of large-scale maps and probably the most completely indexed library of works on natural resources in western Canada. He is proud of this collection, which lines one wall of his office five rows deep.

Mr. Seibert was born in Bruce County, Ontario, in 1885 and attended school at Port Elgin. He still hears occasionally from the man who taught him in the town's high school, J. W. Mitchell, an executive of Dominion Security Corp.

It was Mr. Mitchell's prophecy that Seibert would become a professor of mathematics; but the youth's love of the outdoors impelled him to put his mathematical bent to other service.

After studying engineering at the University of Toronto, he "paid his way" by going out on Dominion Base Line surveys. And after finishing college he went west to Edmonton to do more of the same kind of work.

He liked the West. He made his home in Edmonton and bought a farm, which he still owns, near that city.

When the last war broke out he joined the Royal Air Force and earned his pilot's commission; but hostilities ended before he got overseas.

In 1920 he was called to make his headquarters in Ottawa; but he continued doing land surveys in the West and Northwest. One incident he likes to remember occurred when he was making a line from Providence to the end of the 6th meridian, about 100 miles as the crow flies. He hit the end of the meridian on the dot. But he takes some of the edge off that success by recounting the time he got lost walking 300 yards from one trail to another.

Perhaps his favorite anecdote is about the time he went into the wood buffalo country, north of Peace River, when he trekked into the region to study the land preparatory to making it a national park

Ernest Thompson Seton, the Nature author, had failed to get into the country with Indian guides some time before. But Seibert and his two guides, Chief Squirrel and Susie Marie, succeeded.

The Indians would not speak English, which made the business difficult. One day Seibert decided to force the issue. He spoke to Susie Marie in German.

Susie Marie told the Chief about it and he, in turn, confronted the surveyor, speaking English for the first time on the trip. The Chief was told the strange language was German and he asked Seibert why he spoke that tongue.

Seibert replied his ancestors were German.

"So," the Chief said, "you not pure white man."

Seibert's first experience with mining came in the 20's when he was loaned to the Mining Engineering Branch of the Department of Interior for two years to help revise the quartz mining regulations.

He joined the CNR in 1929 as superintendent of Natural Resources and Development and in 1940 he was appointed Industrial Commissioner for the company.

During the summer months he spends his week ends at his camp at McIntosh, Lake of the Woods, where he probes the water resources—pickerel and bass.

• • •

New Books

THE POWER INDUSTRY AND THE PUBLIC INTEREST by Edward E. Hunt. Published by Twentieth Century Fund.

This study of U. S. electric utilities, public and private, reports that from 1902 to 1940 U. S. capacity of electric generators for public sale increased about 35 times, electric output about 58 times and revenues of the industry about 29 times.

Now 84% of the U. S. population lives in electrically lighted homes. And of the electric homes, 95% had electric irons, 63% refrigerators, 54% clocks, 49% vacuum cleaners and 35% coffee percolators.

The study reports that it has "no conclusive evidence that private (power) enterprise is more or less efficient than public enterprise." Looking ahead, this study sees room for both, provided there is co-ordination between the two.

STATISTICAL YEARBOOK OF THE LEAGUE OF NATIONS 1941-42. Available at League of Nations Society, 124 Wellington St., Toronto. Paper, $2.50.

This is the best available source book for comparable figures for most countries of the world.

More than 100 tables give statistics regarding territory, population, employment and unemployment, agricultural, mineral and industrial production, international trade, currencies and banking, interest rates, prices and cost of living and public finance. The figures include 1942, the first nine months of 1943 and statistics of previous years for comparative purposes.

It includes excellent material of special contemporary interest, such as territorial changes, war expenditures, etc.

If you need any facts of this kind, this publication is a must for your library.

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Other People's Views . . . . .

The Canadian Editorial of the Week

Collective Bargaining

Winnipeg Free Press

Because most, if not all, the agitation for a Labor Code has come from Labor itself, it is only natural that most of the emphasis in the proposed code (for Canada) is placed upon compulsion of employers.

If management is compelled to recognize unions, bargain collectively and observe fair labor practices, then of course trades unions must also be compelled to behave in a responsible and fair manner. If it is fair to impose penalties upon employers for violation of the code, it is also fair to impose penalties upon unions which are guilty of unfair labor practices.

Nor should it be overlooked that a third interest is vitally concerned with sound labor relations. That is the interest of the consumer. Vigilance should be maintained to see that monopolistic, trade restrictive practices are not fostered in the community behind the operation of the Labor Code.

In the code that is adopted there should also be some safeguard of the right of the individual worker. It is not enough to have trades unions. They must be good trades unions, honest and democratic trades unions. Unhappily, this has not always been the case in the United States, where citizens have been prevented from making a living because they were excluded from trades unions by one device or another. If the Government is going to regulate labor relations, it must regulate the practices of unions as well as the practices of employers.

As Others See Us . .

Who Are Who?

Enterprise-Bulletin, Collingwood

The Financial Post is doing a good service in waging a war on the "sly stock shyster." In a recent issue it said, in part, "the most often used 'rule' of the successful investor and speculator is 'Who are the men behind the project?'

"The answer to that question is the best protection the investor has for getting a fair run for his money; for avoiding loaded dice speculations.

"For behind the impressive-sounding names of certain stock-promotion houses and investment 'advisory services' are men whose names and records would be sufficient warning to prevent anybody from trusting them with money for speculative or investment purposes."

Are you listening, dear reader? If not, stop, read and heed. The warning is for those who need to be warned and who knows who's who as to that.

• • •

Cheaper to Jail Them

Peterborough Examiner

The Financial Post tells us that there are 17,492 school teachers in Canada who receive salaries of less than $537 a year.

It is disgraceful to expect a competent teacher of the young to work for that sort of pay. It is also dangerous, for beggarly wages will attract nothing very remarkable in the way of talent, and we do not want third-raters teaching our children.

Considering the amount of claptrap which is talked about education and opportunity in Canada we think it is time that a minimum wage law was applied to the teaching profession. To boast of education for everybody is hypocrisy if the education is provided by these shoddy, sweatshop means.

What The Papers Are Saying . . . .

About Pre-war Foreign Policy

The Ottawa Journal

The national executive of the CCF party has made public a resolution which states that the proposals of Lord Halifax on Empire unity are "the present day version of the pre-war Tory foreign policy."

This is a good example of how not to discuss sanely a problem of serious import. But, speaking of "pre-war Tory foreign policy," it may be permissible to ask: What was the pre-war foreign policy of the CCF party?

Let us look at that policy in chronological sequence:

1933—"We stand resolutely against all participation in imperialist wars." (Regina CCF Manifesto.)

1934—"As the father of four boys, I earnestly hope that not one of them will lift a sword or shoulder a gun." (J. S. Woodsworth, CCF leader, House of Commons, Feb. 14.)

1935—"We should make up our minds that NEVER, so far as we are concerned, will we let our sons go across the sea to war again." (M. J. Coldwell, speech at Regina.)

"We should serve notice NOW that we intend to remain neutral." (CCF "Social Planning for Canada.")

"I refuse to participate or assist in war. . . We have to keep out of the affairs of Europe." (J. S. Woodsworth in the House of Commons.)

1936—"Canada's best defense at the present time is defenselessness . . . " (M. J. Coldwell, House of Commons.)

1937—"In the event of war Canada should remain strictly neutral, regardless of who the belligerents may be." (Motion by J. S. Woodsworth, Jan. 25, supported by CCF Members.)

1938—"In my opinion our British connection is our gravest danger.". (Miss Agnes MacPhail, a CCF ally in the House of Commons.)

1939—"In the event of war, Canada's maximum contribution would be the supplying of foodstuffs and material. . . " (M. J. Coldwell, House of Commons, March 24.)

"Canada should be prepared to defend her own shores, but her assistance should be LIMITED to economic aid and must not include . . . the sending of an expeditionary force. (M. J. Coldwell at Special War Session, Sept., 1939.)

1940—"We did not approve the sending of an expeditionary force overseas." (M. J. Coldwell, May 20, 1940, one month before the fall of France.)

We could go on quoting, but enough—enough to keep the CCF silent about "pre-war foreign policy."

• • •

People in Glass Houses

Regina Leader-Post

Recent news reports from Vancouver bemoan an "unprecedented influx of immoral women and gamblers." With a characteristic "holier-than-thou" and "passing the buck" attitude, police and civic officials of the coastal city have laid the blame for this unhappy situation squarely on the doorsteps of their sister prairie provinces.

Adding insult to injury is the statement of an alderman to the effect that social service and police work of the city was being seriously hampered by the "influx of prairie people, a lot of whom are sick, both mentally and physically."

Statements like these do not add to the harmony of the provinces. As far as the Prairie Provinces are concerned, such aspersions merit righteous indignation and complete refutation.

Vancouver police would be much better advised to do something about putting their own house in order before slandering the youth of next-door neighbors.

• • •

Sayings of the Week

"One foot in the door is worth two in the waiting room." — *Advertisement headline for Product Engineering (McGraw-Hill).*

• • •

Through larger volume of low-priced goods and services, business and its 15 million investors must seek adequate return on capital—not by making a large profit on each item, and selling only a few, but on making a small profit on each item and selling a vast quantity. Under this principle everyone benefits—the consumer, the worker, the investor, the enterpriser—Clarence Francis, chairman, General Foods Corp.

• • •

Stop Me If . . . . .

"Doctor" enquired the anxious patient about to go under anesthetic "How long will it be before I know anything?"

"My dear sir," responded the exasperated medico, "aren't you expecting almost too much from a little ether?"

"Random Town" On Way Out?

Planned Cities Goal of Architects' Proposals

By CLIVE H. CHATTOE

The architects have plumped for mass rescue of Canada's squalid and declining cities by means of new provincial legislation to spread town planning benefits and enable urban land control.

Nova Scotia has take the lead, Quebec is studying a draft bill, other provinces are seen as following.

The subject dominated proceedings at annual meetings in Toronto of the Royal Architectural Institute of Canada and the Ontario Association of Architects.

Canada's 900 architects, waiting the "go-ahead" to plan the looming boom in building, also hope to obtain some kind of order in the hitherto random development of our cities.

At annual meetings in Toronto of the Royal Architectural Institute of Canada and the Ontario Association of Architects, provincial governments were prodded for legislation to control and make better use of land in urban blight areas; and movies and radio broadcasts were proposed to put the idea across with the public.

Architects, it was made known at the same time, are seriously concerned at lack of advance planning—delay in getting work drawings and specifications under way — for the housing, works and buildings in dozens of communities on which reliance is being placed for transition employment. They see ahead the possibility of head-over-heels demobilization of 1½ million Canadians now in the armed forces and war industry fear construction may not live up to expectations as an employer unless there is a speed-up in physical planning.

What construction can do, provided the plans are ready in time, has been the subject of wide discussions in industry and government for more than a year.

The housing backlog looms largest, estimates ranging as high as Labor Minister Mitchell's suggestion of a million dwelling units.

Best estimates of the employing power of construction of all types have come from the Canadian Construction Association whose carefully documented figures showed that more than 600,000 people would be employed on and off site—i.e., in actual building and in making the materials—on any program of the scope of 1941's $639 millions operations.

Studying their postwar responsibilities, delegates to the Toronto sessions foresaw for their profession a wider place in public affairs, a more active role as arbiter and energizer of new building materials and methods.

Power to Clear Slums

Provincial legislation is seen as essential to effective pre-peace preparations for city and regional planning and zoning; architects blame "the disorderly pattern of modern communities" and the disintegration visible in their blight areas, on the municipalities' lack of legal authority to control and determine urban land use.

Accordingly the RAIC at Toronto endorsed by resolution a proposal made in November by the Canadian Federation of Mayors and Municipalities before the House of Commons committee on reconstruction. The Institute will forward the proposal to provincial governments.

Specifically, this asks that local governments, where required, be given power to do six things:

1. Define the area to be planned (in agreement with affected governments);
2. Create a commission for town or regional planning and provide for master plan of the urbanized area;
3. Vest the planning agency with sufficient authority to formulate the master plan and keep it up to date;
4. Define "public purpose" to include any purpose deemed—by the appropriate agency of government within the urbanized area—essential to realization of the plan;
5. Acquire by simple measures, or condemnation where necessary, land anywhere within the urbanized area for a public purpose as above defined; to hold, use, lease, sell or exchange such land; to assure in any case that it will be used only in accordance with the master plan;
6. Enact and enforce ordinances requiring owners of real property within the urbanized area to use it or permit its use only in accordance with the plan.

Broadcasts and Movies?

Efforts are being made to have CBC provide a broadcast series based on current university town planning lectures—series of 20 weekly lectures on social and economic aspects began at McGill Nov. 2, and 25 others on technical features at Toronto on Dec. 6.

Town Planning Institute of Canada is being revived with Toronto headquarters and close RAIC relationship; it may establish a standard of qualification and diploma of competence.

Province of Quebec Association of Architects has submitted to the Godbout Government a draft for enabling legislation for town and regional planning; Nova Scotia on Dec. 1 promulgated its enabling act; other provinces are considering new acts or revision of existing acts.

Appropriate associations are considering formation of a national body to represent all Canadian professional groups interested in engineering or related activities; they will have in hand soon for study a draft constitution prepared by a joint committee of the RAIC and Dominion Council of Professional Engineers.

Three of Canada's four university schools of architecture—at Montreal, Toronto and Winnipeg—are revising their curricula for greater emphasis on structural engineering.

RAIC's science and research committee believes the time not far distant when "the building market will be overflowed with new material and building devices." Continuance of active contact with the Canadian Engineering Standards Association therefore is seen essential.

Housing News Coming

"It is almost certain several housing programs will be initiated this year in several parts of the country," says the Institute's housing committee, with the added comment that shortage has reached crisis stage in several large centres.

(Throne Speech forecast new housing legislation and a $25 millions appropriation to launch its provisions.)

RAIC has prepared a questionnaire for a national poll on housing requirements in several income groups and communities; already has sent a questionnaire to cities and towns of over 7,000 population to determine progress on local planning problems.

Privy Council at Ottawa at the year end got a summary of recommendations of the housing and town planning (Curtis) subcommittee of the advisory reconstruction committee; early announcement of its proposals is hoped for by all interested in housing, planning and building.

For the proposed reconstruction ministry forecast in the Throne Speech the Institute has suggested seven divisions—executive, research, public information, planning, legislation, finance, operations—headed by recognized authorities from legal, engineering and architectural professions, production and construction industries, labor, the financial and lending institutions, the social services and agricultural organizations.

Lack of Plans Appalls

Warning of an "appalling" lack of plans at this stage of the planning period, Prof. Milton Osborne, Winnipeg, vice-president, recited a long list of the country's physical needs—houses, schools, hospitals, recreation centres, etc., as well as a ponderous backlog of structural repairs and remodelling.

Referring to the proposed Federal ministry of reconstruction, the RAIC speaker urged the profession to demand that the new body recognize and act on Canadian town planning needs.

The ministry, he said, while coordinating public works with private building enterprise, also should be a clearing house for local planning where needs don't warrant retention of a town planner.

To avoid unpremeditated building and uneconomic works—"dandelion digging on the city hall lawn"—it was Prof. Osborne's belief that every urban municipality asking works assistance of federal or provincial governments should be required to show a master plan for community development.

Toronto Plan Praised

Joint session of the RAIC-OAA at the Toronto Art Gallery viewed the advisory city planning board's "master plan" maps, charts and models for Toronto 1975; heard noted architect A. S. Mathers of the board's technical committee describe its feature proposals (The Financial Post, Jan. 15, 1943). With a congratulatory resolution, the meeting expressed hope the plan would inspire parallel effort in other cities. Montreal and Halifax have similar plans in preparation.

National Film Board will be asked to base an educational movie "short" on Toronto's plan.

Cleveland's $2,400 House

Any plan for minimum-rental housing that involves single-family units or even attached rows, inevitably will rely for success on the sectional prefabrication method of construction, Byers Hays told the joint session. A Cleveland planning commission architect. Mr. Hays described a public housing project of that character with which he had been identified.

Built in a Cleveland residential area that had deteriorated to a $10 rental level, these houses are let at $20 monthly and up, on a sliding scale based on earnings up to $100 monthly; when increasing earnings reach a stated maximum the tenant is automatically required to vacate and seek accommodation on the ordinary market.

Structural features, Mr. Hays said, were wood and sheet materials in prefabricated sections, pile foundations instead of basement, four rooms, no fixed heating system; cost of building this house on a mass-production basis in Cleveland was $2,400 per unit.

Danger to Peace

"The peace for Canada will be neither profitable nor perfect if the smooth flow of initial transition is interrupted, impeded or made abortive by sticky controls that have outlived their usefulness, or by strikes and conflicts of pressure groups, or by lack of a ready plan." These were dangers seen for the nation and for construction by RAIC's retiring president, Gordon McLeod Pitts, Montreal, in presenting the annual report of the executive council of the institute.

Referring to recent labor layoffs in war industry, Mr. Pitts said that while these workers now may be absorbed back into war industry it will be found increasingly necessary to open up lines of employment more closely related to peacetime activity. He thought the change soon would bring further modifications in restrictions on the building industry and that materials would become increasingly available.

Ontario Conservation Body?

The Ontario Association of Architects, co-operating with the Ontario Association of Professional Engineers probably will urge setting up of an Ontario conservation commission, not only to deal with flood control and land, water and forest conservation, but also to coordinate efforts of local town planning commissions.

With the Ontario Dept. of Health forming a housing commission to implement a Drew government pledge, OAA recommends by resolution that its executive offer the association's services in any provincial program for town planning and housing.

RAIC AND OAA

Officers of the Royal Architectural Institute of Canada and of the Ontario Association of Architects were elected as follows:

RAIC Officers

FORSEY PAGE, Toronto, president;

GORDON McL. PITTS, Montreal, immediate past president;

PROF. MILTON OSBORNE, Winnipeg, first vice-president;

ROBERT MORTON, Dartmouth, N.S., second vice-president;

CHARLES DAVID, Montreal, honorary treasurer;

J. ROXBURGH SMITH, Montreal, honorary secretary;

Executive councillors: L. G. BRIDGMAN, London; A. J. HAZELGROVE, Ottawa; W. BRUCE RIDDELL, Hamilton; MURRAY BROWN, A. S. MATHERS, R. SCHOFIELD MORRIS, BRUCE H. WRIGHT, all of Toronto.

OAA Officers

W. J. ABRA, Ottawa, president;

BURWELL R. COON, Toronto, vice-president;

R. E. McDONNELL, Hamilton, treasurer;

Executive councillors: R. SCHOFIELD MORRIS, PROF. E. R. ARTHUR, HARLAND STEELE, all of Toronto; L. G. BRIDGMAN, London, D. J. CAMERON, Windsor.

The Week in Business

	Jan.	Dec.	Nov.	Oct.	Year Ago
Financial Post Production Index	....	264.1	164.0	262.5	234.2
National Income, D.B.S. (c)	....	....	$752	737	633
Dom. war expend. (million $) ...	....	543.5	271.0	345.5	217.4
Dom. total revenue (do.)	....	209.3	215.1	248.9	175.0
Dom. total expend. (do.)	....	704.6	501.0	440.1	357.5
Dept. store sales index no.	....	....	169.3	157.3	168.5
Retail sales index no.	....	....	165.4	157.6	161.6
Wholesale sales index no.	....	....	169.9	175.2	152.9
Country store (% change pr. yr.)	....	+10.7	+11.0	+5.3	....
■Divd. payment index♦	127.0	125.9	124.6	123.9	122.5
Bank deposits (1935-39=100)	....	191.2	176.3	175.3	157.9
Cash and cheque pay. index	....	192.5	238.4	186.8	165.8
Bank debits (1935-40=100)	....	164.3	195.4	155.0	142.1
Money supply (c)	....	5,271	4,930	4,886	4,343
NEWSPAPER % OF CAPACITY—					
Production ratio	....	67.4	69.2	70.1	66.0
Shipment ratio	....	65.1	70.4	70.7	65.8
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	196.1	164.5	135.4	175.9
Cars (D.B.S. index)	....	153.2	138.8	121.6	145.2
COST OF LIVING—					
■D.B.S. index	119.0	119.3	119.4	119.3	117.1
EMPLOYMENT INDEX No. D.B.S.—					
All industries	....	....	188.7	187.6	183.3
Manufacturing	....	....	230.8	231.3	218.6
Payrolls (June 1/44=100) (b) ...	....	....	152.0	150.7	140.6
Payrolls (1937=100) (a)	....	....	215	221	216

RAILWAYS—	1943-44	1942-43	1943-44 Jan. 1 to date	1942-43	Change %
■Carloadings (week Jan. 29)	69,070	58,221	269,462	226,904	+18.8
■C.P.R. gross (week Jan. 31) $	8,412,000	6,019,000	23,935,000	18,928,000	+26.5
C.N.R. gross rev. .. (Nov.) $	37,001,000	31,886,000	401,535,000	338,715,000	+18.5
C.N.R. net rev. .... (Nov.) $	7,226,000	6,602,000	88,583,000	78,266,000	+13.1
C.P.R. gross rev. .. (Dec.) $	27,282,823	24,523,338	297,107,791	256,864,091	+15.7
C.P.R. net rev ... (Dec.) $	5,017,649	5,194,311	49,211,567	48,187,689	+2.1
IRON AND STEEL—(December)					
Pig Iron production (tons)	137,256	164,382	1,758,265	1,975,015	—10.9
Steel production ... (tons)	227,822	269,834	2,996,978	3,121,361	—4.0
CONSTRUCTION—					
Contracts awarded. (Dec.) $	11,989,300	9,608,900	206,103,900	281,594,100	—26.8
Building permits . (Nov.) $	6,348,196	7,956,629	73,606,388	97,610,848	—24.7
Cement prod., bbls. (Oct.)	813,000	1,146,000	6,578,665	8,177,092	—19.5
AGRICULTURE—					
■Flour prod., bbls. .. (Dec.)	2,173,433	2,062,835	24,474,696	20,760,396	+17.8
■Cattle sales▲ ..... (Jan.)	94,294	56,909	......	......	+65.5
Hog sales▲ .... (Dec.)	1,041,504	722,284	7,147,546	6,228,163	+14.7
SEA FISHERIES—‡					
Catch, cwts. ...... (July)	1,659,279	1,387,400	5,344,855	5,804,685	—7.9
Landed value .... (July)	6,570,634	5,097,200	21,387,627	15,550,040	+37.6
NEWSPRINT—					
Production, tons .. (Dec.)	249,693	244,191	2,982,797	3,177,102	—6.1
Exports, tons .... (Dec.)	224,482	226,779	2,816,566	3,006,150	—6.3
MINING AND OILS—					
Coal prod., tons .... (Nov.)	1,445,309	1,646,387	16,177,213	17,125,330	—5.5
Gold rec. (fine oz.) (Dec.)	268,337	349,459	3,606,542	4,594,487	—21.5
■Petroleum prod., brl. (Nov.)	789,430	838,511	9,147,479	9,506,121	—3.7
ELECTRICAL POWER OUTPUT—(December)—					
Total monthly 1,000 kw.h.'s	3,559,509	3,252,[illegible]5	40,377,649	37,199,182	+8.6
FOREIGN TRADE—♦					
Imports .... (Dec.)	134,872,074	137,569,394	1,735,076,890	1,664,241,933	+5.5
Exports .... (Dec.)	307,963,754	271,239,281	3,001,352,279	2,385,466,046	+25.8
OTHER INDUSTRIAL FACTORS—					
■Shoes, prod., pr. .. (Dec.)	2,704,543	2,650,375	34,282,079	33,199,912	+3.3
Cotton consump. lb (Dec.)	14,081,231	15,797,619	180,650,455	201,938,609	—10.5
Cigarette cons. No.† (Dec.)	1,018,559	961,860	11,526,543	10,239,979	+12.5
FINANCE—					
Bank debits† .... (Dec.) $	4,850,428	4,194,614	53,796,715	45,526,254	+18.2
Bond sales† .... (Dec.) $	171,766	92,552	6,686,094	4,290,673	+55.8
Life insurance sales (Dec.) $	51,999,000	45,576,000	587,008,000	534,822,000	+9.7

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C. †000 omitted.
▲Total at yards and plants. ■New items for week. §Estimated.
♦Supplied by Nesbitt, Thomson & Co. (c) 000,000's omitted. ♦Gold excluded.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

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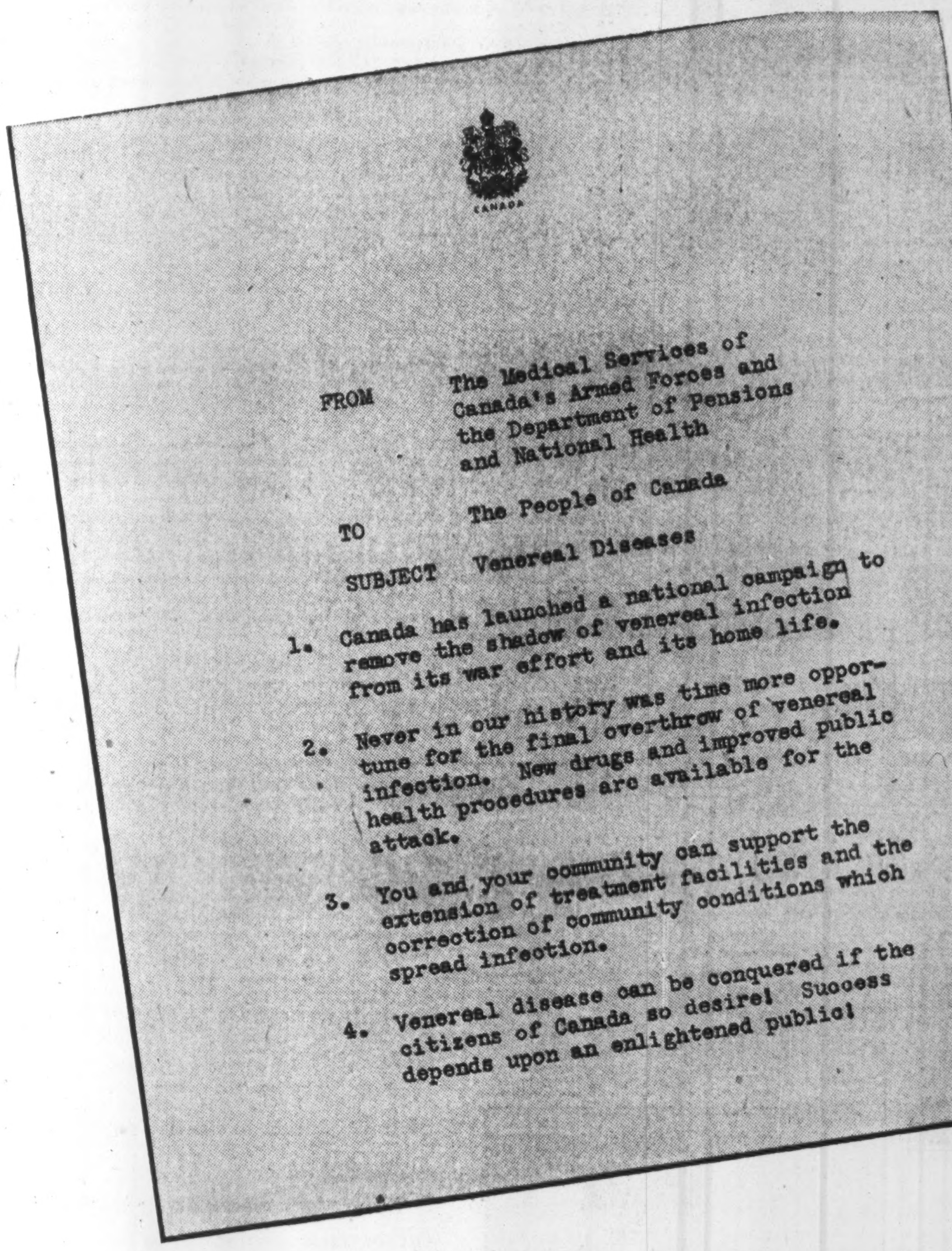

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TO The People of Canada

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Ask Wider Audit Costs Crown-owned Shipyards

War Expenditures Sub-Committee Compares Efficiency of Various Companies, Finds Costs in Canada Higher Than in Britain

After some investigation into cargo and naval shipbuilding, a war expenditures sub-committee apparently has found reason for a wider audit. It is asking Parliament to make comparative figures available so as to disclose clearly where among Canadian yards engaged in war work, high costs and low output represent inefficiency.

V. J. Pottier, Liberal, Shelburne-Yarmouth-Clare, N.S., is chairman of the group which made the request in a report tabled in the Commons by Hughes Cleaver, Liberal, Halton, Ont., chairman of the main war expenditures committee.

Toronto Costs High?

Charge is made that at Government-owned Toronto Shipbuilding Co. overhead and labor costs are excessive compared with privately operated yards in the same area constructing the same type of ship—the Algerine minesweeper.

Suggestion has been made before that Toronto Shipbuilding Co.'s labor costs were out of line with the results being obtained there. Canadian Shipping & Marine Engineering News (MacLean Publishing Co.) pointed out last summer that with over 4,000 on the payroll, as compared with about 1,000 at yards such as Collingwood and Midland, the Toronto yard was a bottleneck of hulls awaiting fitting-out and delivery.

The sub-committee said it had made efforts to compare Toronto Shipbuilding performance with Port Arthur Shipbuilding Co.'s work on a similar type. "It was possible to obtain comparative costs on a few ships. The figures given were those provided by each yard and not the result of a uniform audit."

But costs in Canadian shipyards generally, although higher than in Britain, compare "very favorably" with U. S. yards, the report said.

It recommended an effort to learn now whether a re-designed 10,350-ton cargo carrier with increased speed could be built in Canada with a view to keeping as many yards as possible occupied to meet expected commercial requirements. The report said the sub-committee had been advised the present 10,350-ton ship was the most economical for postwar Canadian purposes; that a number of factors had to be weighed in the question of re-design.

Recommending earliest possible return to lump-sum contracts instead of cost-plus, the sub-committee, however, did not find fault with present resort to the fee. It said contracts for naval ships costing more than $10 millions were being negotiated on actual cost per ship, plus a fee of about 5% of estimated cost, with a maximum, including bonus, of 7½%. It explained also the bonus applies only in some cases and is for quick delivery or saving in cost.

Average costs for the 10,350-ton ships vary between yards from $1,422,000 to $2,046,000 with "extras" entering into the cost in some cases, the report said. It put deliveries to the end of 1943 at 219 of these and 1944's estimated production at 102; in addition, 13 smaller ships (4,700 tons) had been delivered and this year's program called for 18 more.

Six General Proposals

Six general recommendations are as follows:

1. Each shipyard should be enabled to specialize in one type;
2. All contracts should be placed on a fixed-price basis as soon as possible;
3. Limiting by yards of supplies necessary to complete programs to assure a minimum surplus when shipbuilding ceases;
4. Review of method of imposing income tax on shipyard workers and provision of tax information in an effort to reduce absenteeism.
5. Study of standard minimum safety regulations;
6. Supervision of both merchant and naval shipbuilding under one direct head.

(This change already has been made, with D. W. Ambridge at the helm of a reconstituted Crown company directing both programs.)

Absenteeism "of substantial proportions" is mentioned, a primary cause cited being income tax and compulsory savings deduction. The sub-committee urges more effort to explain the deductions and rates of tax.

The sub-committee's impression that costs in Canadian yards generally compare "very favorably" with the U. S. although higher than Britain's, recalls Canadian Shipping's recent plea for Canadian cost reductions against postwar competition outside.

Mr. Pottier's sub-committee, observing that Toronto Shipbuilding had come under Government ownership in Oct., 1941, and that changes in management had been made since then, the latest in Aug., 1943, said outfitting operations were lagging at that yard and deliveries not up to schedule. Hull construction, he said, had proceeded at a fair rate.

Post Writer Pens Expose

Laurence Sullivan Book Bares Abuses of Washington Bureaucracy

A survey of the structure, methods and aims of a fat and often heady bureaucracy in wartime Washington is contained in a lively book entitled "Bureaucracy Runs Amuck" by Lawrence Sullivan.

The author, a correspondent for The Financial Post, supplies a weekly column of reportage, analysis and discussion of the American Capitol for Canadian consumption.

In his book he takes the reports of four Congressional enquiries, plus the testimony of scores of business executives who have found their enterprises crippled or curtailed needlessly by hastily drawn experimental executive orders only remotely, if at all, connected with the war effort.

The book, published by Bobbs-Merrill Co., New York, reveals discovery by a Senate Finance Committee that some 35 different Federal agencies were engaged in various phases of postwar planning; how the Byrd Committee on Reduction of Non-Essential Federal Expenditures uncovered some 200 new Federal bureaus, boards, commissions, offices and administrations which had come into being by law or executive order since 1933; and that the Federal civil payroll carries more than 3.3 million men and women, exclusive of the military personnel.

Mr. Sullivan is a Washington journalist with 24 years in newspaper and magazine work, during 15 of which he has specialized in the relations of government and business.

Proprietary Mines has declared a dividend of 5 cents a share payable Mar. 9, 1944, to shareholders of record Feb. 9.

CPR January Income Records Sharp Rise

Gross operating income of the Canadian Pacific Railway for Jan., 1944, recorded an increase of $5 millions or 26.4% over the returns for January last year. Total for the month was $23.9 millions compared with $18.9 millions in January of 1943.

Gross for the ten days ended Jan. 31 amounted to $8.4 millions and represented an increase of $2.4 millions or 39.8% over the aggregate in the like period of 1943. The gain was the widest ten-day advance since the same period of 1942.

TCA's 1943 Traffic Sets New Record

Final traffic figures show substantial increases for Trans-Canada Air Lines in 1943 as compared with the year before. Details are as follows:

	1943	1942
Passengers (no.)	142,000	104,400
Mail (lb.)	3,726,600	2,308,800
Express (lb.)	821,600	362,800

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que.
Pine Falls, Man.
Sault Ste. Marie, Ont.
Iroquois Falls, Ont.
Smooth Rock Falls, Ont.
Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp
News Sulphite Pulp
High Grade Bleached Sulphite Pulp

Arjon Gold Mines, west of Kerr-Addison Gold Mines, in the Larder Lake area, is reported to have suspended diamond drilling temporarily; $50,000 is stated to remain in the treasury.

On the Frozen Fronts of Russia
or the Supply Lines of Canada
FORD V-8 ENGINE

—it's a great power plant!

AS BITTER COLD and driving snow descend on the Russian front, Russian attacks are intensified. For Russian troops are at home in winter warfare, and Russian motorized equipment is built to operate in intense cold.

Pushing forward with troops and supplies as part of the Russian offensive are Canadian-built, four-wheel drive trucks. Ford engineers devised ways to "arcticize" these trucks with heaters and other devices to make them operate efficiently at 40 below zero and lower. In the extreme winter of Northern Manitoba, these trucks were put through exhaustive tests to make sure that they would start quickly and operate efficiently under the severe Russian weather conditions.

The power plant in these and all other Canadian-built Ford army vehicles in service today in the far parts of the world, is the Ford V-8 engine. Developed by Ford engineers in pre-war days, it set a new standard of performance in the cars, trucks, and buses of a nation at peace. Always it has been noted for the smoothness and surging power which only a V-type, eight-cylinder engine can give.

Today it is proving its efficiency and economy on the bitter testing grounds of war, and is helping to keep transportation and essential supplies moving on the home front. In peace and in war the Ford V-8 engine has stood the test. On the frozen fronts of Russia or the highways of Canada, it's a great power plant.

FORD MOTOR COMPANY OF CANADA, LIMITED
FORD V-8 AND MERCURY CARS FORD TRUCKS, TRACTORS AND BUSES
LARGEST PRODUCERS OF MILITARY VEHICLES IN THE BRITISH EMPIRE

The Need Grows as
VICTORY NEARS
Give
CANADIAN RED CROSS

The Wawanēsa
Mutual Insurance Company
—ORGANIZED IN 1896—
Admitted Assets .. $3,819,972.11
Surplus 2,014,637.07
Dom. Govt. Deposit 1,939,324.33
— Write for Financial Statement —
Head Office, WAWANESA, Man.
Eastern Office: TORONTO, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg and Montreal.
2,000 Agents Across Canada.

United States
Fidelity & Guaranty
Company
TORONTO

"Consult your Agent
or Broker
as you would your
Doctor or Lawyer."

FIDELITY
Insurance Company
of Canada
TORONTO

LIFE ASSURANCE FIGHTS INFLATION

Policyholders' savings important contribution to War Effort and Post-War Reconstruction

One of the many distinctive services performed by Life Assurance in these urgent times is the mobilization of the people's savings against the insidious but none the less devastating enemy — inflation. Thus millions of men and women, advised by a worthy and highly-trained group of their fellow-countrymen who "sell" Life Assurance, withhold their savings from the luxury market and set them aside to secure protection and well-being for themselves and their loved ones in the unknown days to come.

In the past year alone, the million policyholders of the Sun Life of Canada have set aside $112 millions of their savings in the form of Life Assurance premiums.

During the war years there has been a marked increase in the basic service rendered by Life Assurance—personal and family protection in the time of greatest need. The Sun Life of Canada, since September 1939, has paid out 365 million dollars to policyholders and beneficiaries, a really significant contribution to the stability of national family life in time of emergency.

FROM THE 1943 ANNUAL REPORT

New Assurances	$ 214,292,080
Assurances in force	3,173,417,467
Benefits Paid 1943	74,057,495
Benefits Paid since Organization	1,629,863,441

Copy of the Annual Report for 1943 will be sent to all policyholders, or may be obtained from the Head Office, Montreal.

SUN LIFE of CANADA

SERVICE SAVING SECURITY

Fire and Allied Lines Written in Associated Companies

Automobile and General Casualty Insurance

Lumbermens

MUTUAL CASUALTY COMPANY

Agency Inquiries Invited

[illegible] SMITH Res. Sec'y, Concourse Bldg. Toronto. Elgin 3355

"THE SAFETY-MINDED COMPANY"

Insurance Based on Present Replacement Costs

Building costs to-day, are substantially higher than they were a few years ago — in some cases as much as 30%. If your insurance is based on "pre-war" values, we suggest revision to bring it in line with replacement values at present price levels.

WESTERN ASSURANCE COMPANY

TORONTO — CANADA

1943 STRENGTH AND SERVICE to over FORTY THOUSAND Policyholders

ASSETS

Bonds	$10,820,313.09
Stocks In the aggregate, the market value of the above securities substantially exceeds the above book values. This difference provides a protection against fluctuations in market values.	3,228,900.61
Mortgages and Agreements Principal owing on first encumbrance securities on improved real estate	2,714,016.59
Real Estate Properties being held for sale, but in the meantime producing substantial net revenue	441,742.23
Loans on Policies These loans to policyholders are fully secured, as in no instance does the amount of the loan against a policy exceed the Cash Surrender Value thereof	1,542,143.87
Net Outstanding and Deferred Premiums Insurance and Annuity Premiums in course of collection, or not yet due. They are fully secured, because in each case a reserve has been set up assuming the full year's premium paid	241,752.13
Interest Accrued Interest accrued but not due on Policy Loans and on Bonds	57,529.98
Cash in Banks and on hand	272,859.11
TOTAL ASSETS	$19,319,257.61

LIABILITIES TO POLICYHOLDERS, BENEFICIARIES AND OTHERS

Policy Reserves The amount which, with interest and future premiums, will assure the payment of all policy benefits, maturities and claims	$15,177,969.00
Policy Claims Awaiting Proof All Claims of which we have knowledge but for which we await completion of papers	173,620.99
Other Policy Obligations Policy proceeds left on deposit with the Company and Premiums paid in advance	1,430,328.92
Staff Pension and Insurance Fund	200,000.00
All other Obligations	107,385.32
ADDITIONAL FUNDS FOR THE PROTECTION OF POLICYHOLDERS AND BENEFICIARIES	
Capital and Shareholders' Account Capital invested by Shareholders, plus the amount at the credit of their account	319,083.23
Dividends to Policyholders This amount provides fully for all Policyholders' Dividends payable in 1944 and all other Dividends accrued to the end of 1943	415,214.00
Reserve for Unreported Policy Claims Provision for any death or disability claims which may have arisen prior to the end of 1943 but of which the Company had no knowledge	50,000.00
Unallocated Investment Reserve This is a protection against any future depreciation in the value of Assets	200,000.00
Contingency Reserve This amount provides liberally for any unforeseen adverse developments of any nature which may arise out of war conditions or otherwise	500,000.00
Surplus above Reserves After providing all these special Reserves there remains this unallocated Surplus	745,656.15
TOTAL LIABILITIES	$19,319,257.61

E. J. TARR,
President

G. C. CUMMING,
General Manager

THE MONARCH LIFE Assurance Company

State Insurance Condemned

Company Executives See Dangers In Nationalization

Addresses delivered by life insurance executives at company annual meetings last week dealt with various problems of the present and postwar eras. Dangers of proposals that life insurance be nationalized were set forth, as well as the need for continuance of the agency system. Extracts from the presidents' comments follow.

LOUIS L. LANG, president Mutual Life Assurance Co. of Canada.

The assumption by the Government of the great reservoir of funds created by life insurance premiums would not only seriously disrupt the flow of normal investment funds so essential to the orderly and effective development of the nation's resources, but would place within the reach of politicians funds which hitherto have been held in trust for one purpose only, to satisfy a sacred obligation to widows and orphans and to those who have devoted the savings of their earning years to provide a comfortable old age.

The Federal Department of Insurance today effectively protects our citizens by supervising the operations of organizations entrusted with the responsibility of providing financial security to the public. However, should the life insurance premiums of the country become part of Government income, no higher authority is available to see that these funds are devoted to the purpose intended. It is sad but true that too often the public treasury has been made the victim of political machinations. I, for one, am convinced that the nationalization of life insurance would prove most unwise.

The administration of life insurance is a complicated undertaking and, to be satisfactorily performed, the officials responsible should have acquired a broad technical knowledge as a result of years of study and experience. I cannot foresee any tangible benefit that would accrue to policyholders under a Government administered plan. Rather, I believe the reverse would be experienced.

* * *

ARTHUR B. WOOD, president and managing director, Sun Life Assurance Co. of Canada.

But let us assume for argument that by eliminating agents, expenses would be reduced. Would it necessarily follow that insurance would be furnished at a lower cost? By no means. Interest is a most important factor in its effect on the cost of insurance. In a government scheme the funds would presumably be invested in government bonds.

On the other hand, private companies under normal conditions—present day conditions are abnormal—invest in a wide diversification of securities, mortgages on homes, bonds of industrial, financial and public utility corporations, and other classes of investment and consequently earn rates of interest higher on the average than the yield on Government bonds. An additional interest earning power of 1% would offset a difference of 10% in the premium rates and this would be more than sufficient to cover remuneration of agents. If the business were conducted under a scheme which would eliminate interest, the Government would find it necessary to charge rates 60% higher than those charged today by the companies.

Any comparison of relative costs in government-operated schemes and private companies would be unfair to the companies unless account were taken of the extent to which government schemes have been or are being subsidized either directly or indirectly. In Canada we have a striking example in the Canadian Government Annuity Scheme. True, its rates are lower than those charged by the life insurance companies. But the scheme is not self-supporting.

Insurance Company Reports

Sun Life

Business in force up $129 millions.
Business issued $214 millions.
Total assets rise over $1.1 billions.

(Previous year's figures bracketed below)

Insurance in force with the Sun Life Assurance Co. of Canada at the end of 1943 totalled over $3.1 billions, according to the annual report submitted at the meeting in Montreal this week. New insurance was over $13 millions higher than in the previous year.

New annuity contracts paid for numbered 2,123. They provide for immediate annual payments of $335,548 and deferred annual payments to commence at fixed retirement ages of $1.2 millions.

The life insurance in force at almost $3.2 billions is represented by 925,527 individual policies and 405,105 certificates of insurance on the lives of employees of companies under the group plan.

The individual annuity contracts in force totalled 38,237. There are as well retirement benefits for 40,199 employees provided under group annuity plans. Current annual payments under these contracts total $10.2 millions with deferred annual payments $26.4 millions.

During the year the company paid to policyholders and beneficiaries $74.0 millions of which $10.2 millions were dividends on participating policies. Total payments made to policyholders and beneficiaries since organization, Mr. Wood stated, are over $1.6 billions.

The increase in the business in force was due in large measure to favorable economic conditions, but also to the company's efforts in conservation, stated Mr. Wood. Last year 47% of the terminations in the ordinary branch were due to death, and 35% to cash surrenders, a considerable number of these policies having been in force many years with the need for protection lessened. Other surrenders were for financial reasons where cash was needed. Of total cancellations only 18% terminated by lapse.

Important items from the report follow:

	1943 $	1942 $
Business in force	3,173,417,467	3,043,909,000
New business ...	214,292,080	201,237,000
Total receipts ...	174,264,806	161,823,000
Premiums	112,145,761	106,742,797
Int., divds., etc.	38,597,904	36,549,817
Pol. payments ..	74,057,495	77,084,997
Dividends, (pol.)	10,185,040	10,694,239
Surplus earnings	21,383,670	21,671,000
Assets	1,108,459,000	1,046,962,955
Free surplus	18,118,207	18,118,207
Interest earned ..	3.72%	3.85%

Economical Mutual

Total Premiums higher.
Policyholders' surplus over $2.7 millions.
Total assets $3.6 millions.

(Previous year's figures bracketed).

In spite of reductions in fire and automobile insurance rates during the year, total premiums written by the Economical Mutual Fire Insurance Co. showed an increase of $2,593 over 1942. The number of risks insured actually increased during the year, states President Henry Knell in his report.

Fire and automobile premiums were both slightly lower. Losses in the fire department were $218,144 ($221,064) and the loss ratio 47.2% (48.8%).

Automobile premiums were affected by the discounts allowed on cars in the lower gasoline rationing categories. But the number of cars insured was greater than in the previous year. Automobile claims were $138,003 ($86,271) and the loss ratio 47.2%. Casualty premiums totalled $146,753 (136,195).

The company has begun to write inland transportation insurance and is now proposing to enlarge its powers to write all classes of insurance except life.

Chief items from the report follow:

	1943 $	1942 $
Prems. written	1,069,690	1,067,096
Fire	615,198	615,285
Auto.	307,738	315,616
Casualty	146,754	136,195
Assets	3,583,494	3,389,373
Bonds & debs.	2,288,695	2,027,699
Mortgages	775,788	856,054
Stocks	205,177	205,177
Policyh'ldrs. surplus .	2,776,239	2,634,630

National Security Insurance Company

NOTICE is hereby given that the National Security Insurance Company has received Certificate of Registry No. C931 authorizing it to transact in Canada business of Water Damage Insurance, limited to the insurance of the same property as is insured under the policy of Fire Insurance of the company, in addition to the classes for which it is already registered.

H. C. MILLS,
Chief Agent for Canada.

We Manufacture

Envelopes

for every purpose

Barber-Ellis
of Canada Limited

TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

"You have a vital stake in everything that Life Insurance stands for"

—a message to policyholders

I CAN SAY very truthfully that there never has been a time when the leaders of finance and business were more conscious of their responsibility to the general public as well as to their employees, than they are at the present time. The attitude of management today is one of enquiry and research into ways and means of reducing costs, giving better service and improving employer-employee relations. I am satisfied that leaders in industry command the respect and confidence of the public as never before

★ ★ ★

The life insurance business can point with pride to a record of achievement that is commensurate only with its opportunity for service. The fact that our Canadian life insurance companies have weathered the financial gales incident to war and depression and that policyholders' claims have been met in full, and that the companies have gained in strength and size as well as in responsibility, reflects both sound management and continuing confidence on the part of the public.

★ ★ ★

Objection has been raised to our competitive system, particularly as it has to do with the use of agents. It is claimed that if we were not to employ agents we could provide cheaper insurance to the public. That has definitely not been proven. The life insurance representative furnishes a useful public service. It is probably well within the mark to say that perhaps not more than 10% of the business that is now in force would exist if active solicitation for business had not been resorted to. Furthermore, the agents have furnished many ancillary services that have been of the greatest benefit to the public. The modern life insurance agent or representative is much more than a salesman. He is a trained and skilful counsellor and sound professional adviser.

★ ★ ★

I wish briefly to allude to two other points of criticism that have been lodged against the life companies. One has to do with interlocking directorates, and the other has to do with the general policy underlying companies' investments. I confess that I am surprised sometimes that we are able to get men of such high standing and sound business judgment to give their time and advice and accept their share of the responsibility of management for the fees that are paid. I do not deny that many of our Directors are associated in some capacity or other with other institutions, but that is merely another way of saying that the men who are most desirable are the men who are most sought. In my own experience I know of no Director who has sought any favour for himself or any other institution with which he is connected, or who is inspired by any motive except that of promoting the best interest of the North American Life.

The investment policy of our life companies is necessarily controlled by the terms of the Dominion Insurance Act. Parliament, very rightly we believe, in prescribing the type of investments we can make strongly stresses the trustee nature of our business. The underlying thought in all investment policy is that within the limitations of the Insurance Act itself it should be the aim to secure the largest return for our policyholders compatible with security and safety. We believe that the investments of the life companies can stand the closest scrutiny.

★ ★ ★

In respect to government regulation and supervision, no business has been or could be subject to more careful or impartial scrutiny than the life business in Canada. The Department of Insurance at Ottawa is manned by a staff of highly trained, experienced officials. No department has been freer of political bias. These men have leaned backwards in their independence, and have been utterly fearless in the conscientious performance of their duties. The Insurance Act, though passed by Parliament and sponsored by the Minister of Finance, in effect is largely the creation of these highly trained, professional advisers of the Minister, whose concern is the welfare of the policyholders and the preservation of the good name of the business. Nor should we fail to mention the additional supervision provided by the various provincial and foreign Departments of Insurance, under whose jurisdiction our companies happen to come. Our insurance laws, both federal and provincial, are as modern as skill, experience and impartial judgment can create in the interests of the public.

★ ★ ★

Along with thousands of other policyholders in this and other companies, you have a vital stake in everything that life insurance stands for. Those who are at present advocating the nationalization of the life companies are not, we believe, primarily concerned with whether the companies are well or poorly conducted. If they are to succeed in socializing industry, and in expropriating all means of production, they must first have access to the savings of the people—your bank deposits, your equity in your life insurance and other savings. The fact that you are an owner of a life insurance policy is proof that you have saved and have planned, and that you have exercised your God-given privilege to safeguard your savings according to your best judgment. Are you willing to jeopardize what you now have for a promissory note in the fantastic belief that the maker of the note is better able to manage your affairs than you are yourself, or that his professed altruism can take the place of your enlightened self interest?

D. E. Kilgour
President and General Manager.

Excerpts from the address given at the 63rd Annual Meeting.

FEATURES FROM THE SIXTY-THIRD ANNUAL REPORT

"So far as the Company is concerned there have been guiding principles that have contributed greatly to our progress and success. Our affairs have been managed at a moderate rate of expense with a definite trend towards reduction in recent years. Constant effort has been made to keep our plans of insurance and annuity contracts up to date with the result that our field force is in a position to offer the best that ingenuity and experience can devise for the ever increasing and complex needs of the insuring public. The results of the year are a clear indication of the increasing confidence placed by the public in the insurance business, and in a special sense reflect the high opinion that our own Company has so justly earned."

Premiums Collected . . .	$ 9,361,559	Business in Force	$308,127,791
Policy Benefits Paid . . .	4,802,203	Total Assets Held	82,550,644
New Business Effected . . .	40,835,625	Special Reserves and Surplus	6,654,502

NORTH AMERICAN LIFE ASSURANCE COMPANY

HEAD OFFICE — ESTABLISHED 1881 A MUTUAL COMPANY — TORONTO

31st ANNUAL REPORT
SHOWS SUSTAINED PROGRESS

Increase in Deposits
The amount of money deposited by the general public in Demand and Term Savings increased $329,654.42 during the year and now stands at $5,814,131.94.

Strong Liquid Position
Quick Liquid Assets at market value were equivalent to 126.19% of Demand Savings.

Profits Increased
Profits were $48,129.87 or 5.43% of the Corporation's paid-up capital, as compared with $37,223.06 or 4.20% last year.

New Business Increase
The number of estates under administration continued to increase.

A copy of the report will be mailed on request.

CAPITAL TRUST CORPORATION LIMITED

MONTREAL OTTAWA TORONTO

Extracts from

44th Annual Report

Submitted 8th February, 1944

"Free Enterprise—which has been better called Competitive Services—has in the long history of the world alone brought adequate rewards for enterprise and thrift and has succeeded in raising the standard of living and making the lot of the people happier. Those who would abandon our present system have nothing new to offer but only the old, and provedly unworkable, socialization of industry and finance in the bureaucracy of government operation. As we are sure that their way would lead to disillusionment and misery, we are in duty bound to point out its fallacies wherever and whenever we can find opportunity to do so, and that not for selfish reasons, but for the good of Canada."

From the address of Robert P. Jellett, President

FINANCIAL STATEMENT
31st December, 1943

Revenue		$2,794,846
Charges	$2,127,379	
Profit		667,467
Taxes	263,773	
Net Profit		403,694
Dividends	320,000	
Pension Fund (Spec'l Pay't)	30,000	
Surplus		53,694

Liquid Resources	$17,624,615	Liabilities	$12,775,887
Other Resources	2,210,475	Capital and Surplus	7,059,203
	$19,835,090		$19,835,090

"We conceive it to be our first duty to safeguard, insofar as is humanly possible, the investments of our clients, many of whom are widows and children dependent on the assets of estates. Others serving their country overseas are relying on us to look after their affairs during their absence. The responsibility for watching over such lifetime savings and carrying out the wishes of those who have reposed their faith and confidence in us, is a sacred trust."

From the address of Ross Clarkson, General Manager

ASSETS UNDER ADMINISTRATION
$788,000,000

THE ROYAL TRUST COMPANY
CORPORATE SECURITY
PERSONAL SERVICE

ANOTHER YEAR OF WARTIME SERVICE

to Canadian Men and Women

✰ At end of 1943—The Excelsior Life reports:

✰ INSURANCE IN FORCE—$145,209,563.27
A gain of $11,193,232.08 during the year

✰ NEW INSURANCE—$17,939,526.33
including new and revived policies

✰ PAID TO POLICYHOLDERS—$1,860,658.64
$1,095,848.77 (59%) paid to policyholders themselves
$764,809.87 (41%) paid to beneficiaries in death claims

✰ INVESTED IN 1943 VICTORY BONDS—
$3,750,000.00
Bringing purchases of War and Victory Bonds since outbreak of the War to $9,675,000.00

✰ TOTAL INCOME FOR YEAR—$5,168,809.56

✰ ASSETS NOW AMOUNT TO—$30,300,395.74

✰
YOUR DOLLARS when invested in LIFE INSURANCE are VICTORY DOLLARS.

1. Providing insurance protection for your family . . .

2. Enabling the Life Insurance Companies to buy more Victory Bonds to increase assets for protection of policyholders.

3. Helping to prevent inflation through reduction of competition for consumer goods.

The EXCELSIOR INSURANCE LIFE COMPANY
A STRONG CANADIAN COMPANY
HEAD OFFICE TORONTO, CANADA

Copy of printed Annual Report may be obtained from:

HEAD OFFICE
TORONTO, ONT.

We Have Been Asked . . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Medical Expenses

What is meant by medical expenses for income tax purposes? In my case the doctor's bill is about $100 and dentist's bill $30. My drug bill is about $400. It includes very expensive heart pills. If my annual income is $4,000, am I entitled to deduct any of the above as medical expenses?

Excessive medical expenses, that is when they are over 5% of a taxpayer's income may be deducted up to $400 a year for a single person and $600 for a married person without dependents, with an increase of $100 for each dependent up to a total of four. That is a maximum of $1,000. They are allowed for payments on account of the taxpayer, his wife or his dependents to qualified medical practioners, dentists or registered nurses or to a public or provincially licensed private hospital for illness, operation or childbirth. It also includes payments made to one full-time attendant required by a patient in any of the categories mentioned confined to bed or a wheelchair or blind during the whole of the year. It does not, however, include drugs. As your income is $4,000 a year, any medical expenses in excess of $200 would be considered excessive. But without the drugs, your medical expenses are less than this. Accordingly you would not be entitled to any deduction for income tax purposes.

Life Insurance Policy

Is a wife who is the beneficiary under her husband's life insurance policy, subject to income tax on the proceeds of the policy when her husband dies. In case the policy is so arranged that the beneficiary is paid so much a month, and payments exceed the income tax exemption, will the widow have to pay income tax on the amount of the payments in excess of the exemptions?

The proceeds of a life insurance policy are not subject to income tax so the widow would not have to pay on the money she receives from her husband's policy. If, however, an arrangement such as you describe is made the payments to run for a definite period, she would probably be liable for income tax on the interest portion of the payments. It would be best, however, to submit the policy and the whole arrangement to the income tax authorities for a definite ruling.

Bachelor's Income

I am a bachelor owning a house and with an income of $1,000 from investments only. I have two unmarried sisters living with me, each of whom has an income of her own of $410 from investments also. Do I have to pay income tax? Do I get any allowance for my sisters?

As you are a single person with an income over $600 you will be liable for income tax, unless you have deductions such as contributions to charity, and excessive medical expenses which will bring your income below that level. As your sisters each have an income exceeding $400, you are not entitled to any deduction on their account.

WPTB QUESTIONS

Case for Bailiff

My sister rents a flat and attic room in her home. She gave the tenants six months' notice to vacate over a year ago and they refuse to move. They are a month behind in their rent. How can she force them to leave her home?

The WPTB does not attempt to protect tenants in arrears of rent. Under the provincial law she can call in the bailiff, seize their belongings and have them evicted.

Farm Properties

I moved to a farm two years ago and have worked the farm ever since. The owner has given me notice to vacate and I am all prepared to put in crops this spring. How much notice must he give me?

Farm properties do not come under the jurisdiction of the WPTB. These matters come under provincial law. We would suggest that you consult your lease or agreement with the owner, then take the matter up with a solicitor.

Price of Peaches

Recently I bought a can of peaches for which I paid 29c. These same cans were sold last year in this store for 23c. Are they now entitled to raise the price 6c.?

As you have not given the name of the brand or the size of the can, it is difficult to know whether or not you were overcharged. Frequently merchants have special sales for a day or two and then change their prices back to the ceiling price.

INVESTMENTS

Lake St. John Power

As subscribers of The Financial Post will you kindly let me have your views on the 5½% bonds of Lake St. John Power and Paper Co.?

Lake St. John Power & Paper Co.'s 5½% first mortgage bonds are rated as a satisfactory investment medium. Both bond interest and sinking fund requirements have been met regularly. Currently the company is in the strongest position reported in many years, with net working capital at the end of 1942 totalling $3.6 millions. At that time there was an equity of over $2,200 behind each $1,000 par value of first mortgage bonds outstanding.

Metalore

I have been advised to purchase further shares of Metalore Mining Corp. "in view of the fine results the company has secured." I would like your idea on this as there has been a considerable decline in the company's shares and I cannot take too many chances.

Metalore Mining Corp. holds a rather extensive property lying on three sides of Normetal Mining Corp., in northwestern Quebec. A diamond drilling program carried out by the company some time ago was without important results, but geological information secured in this work has been used in conjunction with a magnetometer survey to determine what areas remain which might possibly prove productive of ore.

A further program of diamond drilling is now in progress, we understand, but we have so far received no word that would indicate that anything in the nature of a commercial ore body has been indicated in this further drilling program. Searching for "wildcat ore" is, of course, a very speculative business and the chances are against success in many projects of this kind. However, if by chance an ore body should be located, shareholders might do quite well.

The decline in the company's shares from 27 to 14 cents would seem to reflect lack of success in finding ore to date.

B. C. Pulp

Please let me have some information on B.C. Pulp Corp. I am especially interested in the Class A stock and the dividend record on that security.

British Columbia Power Corp., through its subsidiaries, supplies all the electric power and gas services to the most important municipalities in British Columbia, and operates electric railway systems and bus services in Vancouver, Victoria and surrounding territory. It has outstanding some $16 millions of bonds, which rank ahead of the 1 million issued shares of Class A preference stock. Annual dividends on the A stock amount to $2 a share.

Since 1930 the company has failed to earn the full dividend in six years. Consequently there has been a fluctuation in dividends paid, the lowest annual distribution being $1.60 a share. At present the company is paying $2 a share. The A stock is not entitled to cumulative dividends. There has been considerable talk over the past year of public ownership for the properties, but no definite development.

New Wartime Regulations

Red Cedar Shingles: WPTB Order No. A-1068 amends Order No. A-1041 with respect to specifications and prices of red cedar shingles originating in the Vancouver forest district. Effective Jan. 28. Timber Admin. A. H. Williamson.

• • •

Peaches: WPTB Order No. A-1069, effective Jan. 30, amends Order No. A-851 by the addition of peaches, solid pack pie grade, to Schedule A. Admin. of Processed Fruits and Vegetables F. D. Mathers.

• • •

Furniture: WPTB Order No. A-1077, effective Jan. 31, revokes order No. A-18 and fixes a new maximum price for wood frames for upholstered furniture. Admin. of Furniture and Brushes, Jas. E. Ferguson.

• • •

Footwear Leather: WPTB Order No. 363, effective Feb. 1, amends Order No. 292, respecting prices of footwear leather. Chairman, D. Gordon.

• • •

Licenses: WPTB Order No. 356, effective Feb. 1, amends Order No. 202 in certain particulars respecting licenses. Chairman, D. Gordon.

• • •

Hardware: WPTB Order No. A-1064, effective Feb. 1, revokes and replaces Order No. A-675, and restricts types of builders' finishing hardware, cabinet locks and padlocks, according to a schedule attached. Admin. of Fabricated Steel and Non-ferrous Metal, H. H. Foreman.

• • •

Rough poplar: WPTB Order No. A-1078, effective Feb. 2, amends maximum prices for rough poplar pulpwood cut from the stump in Ontario except the districts of Kenora and Rainy River, as set out in Order No. A-747. Timber Admin. A. H. Williamson.

• • •

Pulpwood: WPTB Orders No. A-1079, A-1080, A-1081, effective Feb. 2, restrict balsam and fir content of spruce pulpwood (and set maximum prices for pulpwood) cut from the stump in the Provinces of Nova Scotia, Quebec and New Brunswick respectively. Prices and varieties specified vary as between districts. Orders A-790, A-748 (as amended by A-881) and A-824 are revoked by this order. Timber Admin. A. H. Williamson.

• • •

School Furniture: WPTB Order No. A-1052, effective Feb. 4, revises maximum prices at which manufacturers and retailers may sell any article of school furniture. Admin. of Furniture and Brushes, Jas. E. Ferguson.

• • •

Brooms: WPTB Order No. A-1075, effective Feb. 7, amends pricing and markup provisions of Order No. A-142 with respect to brooms made from broom corn. Admin. of Furniture and Brushes, Jas. E. Ferguson.

A National Duty—

AN INVESTMENT OPPORTUNITY

There is no type of investment available in this country which, from the standpoint of security of principal, attractive interest yield and ready marketability, can compare with DOMINION OF CANADA BONDS

Telephone WAverley 3681

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15 King Street West, Toronto

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED
Deposits and Debentures (31 Dec., 1942), $12,389,021

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preparing for peace

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Why put an air-cooled aircraft engine in a tank? Because no other engine packs as much power into such small size. Tanks and gun carriers slog into battle on caterpillar treads, but they are similar to aircraft in that they require an engine high in power, small in size, and light in weight. Other engines of equal power are massive, creating a vicious circle in which large size demands more armor plate, in turn adding weight and calling for more power to maintain speed.

Seasoned by years of operation in transport, private, and trainer planes, the Wright Whirlwind was the logical choice for the Army's medium tanks and gun carriers. This engine, weighing but a scant 1% of the M-4 tank's 30 tons, packs 400 HP plus in its 45" diameter.

Enlisted in our armored divisions, the Whirlwind was assigned to combat duty with virtually all medium tanks and heavy gun carriers to reach the fighting fronts. In no sense a competitor to the air tonnage hauling Cyclone, the Whirlwind has nonetheless lived up to the Wright engine family tradition for light, compact power, adaptable to many purposes.

* * *

Wright engines pay their way.

Cyclones and Whirlwinds · Light · Compact · Powerful WRIGHT *Aircraft Engines*
IN CANADA — CANADIAN WRIGHT LIMITED
WRIGHT POWERS THE TONNAGE OF THE AIR

The
British Mortgage & Trust Corporation of Ontario
STRATFORD

Balance Sheet, December 31st, 1943

ASSETS

CAPITAL ACCOUNT:			
Office premises		$ 53,533.79	
Furniture and fixtures		1,484.52	
			$ 55,018.31
Real Estate for sale			314,321.60
Mortgages on real estate in possession or control of mortgagee: Principal			198,291.14
Mortgages and Agreements for Sale:			
Principal		$ 676,702.98	
Interest due and accrued		1,172.08	
			677,875.06
BONDS AND DEBENTURES:			
Government bonds:			
Principal			15,241.00
Canadian Municipal Bonds:			
Principal			31,602.25
Stocks owned at book value			552,149.95
Cash on hand and in Bank			91,782.79
Advances to Estates			3,379.10
TOTAL CAPITAL ASSETS			$1,939,661.20
GUARANTEED TRUST ACCOUNT:			
Mortgages:			
Principal	$2,765,241.28		
Interest due and accrued	37,231.35		
		$2,802,472.63	
BONDS AND DEBENTURES:			
Bonds of and Guaranteed by Dominion Government:			
Principal	$1,300,612.00		
Interest accrued	7,293.00		
		1,307,900.00	
Provincial Government Bonds:			
Principal		447,231.89	
Canadian Municipal Bonds:			
Principal		86,572.67	
Stocks owned at book value		1,808,800.00	
Cash on hand and in bank		224,642.12	
TOTAL GUARANTEED TRUST ASSETS			$6,677,624.31
ESTATES DEPARTMENT:			
Estates, Trusts and Agency Funds			$ 820,856.95
			$9,445,142.46

LIABILITIES

CAPITAL ACCOUNT:		
Capital Stock fully paid up		$1,000,000.00
General Reserve Fund		500,000.00
General Investment Reserve		325,000.00
Reserve for Taxes		13,687.64
Profit and loss credit balance		60,450.30
Dividends payable 2nd January, 1944		40,000.00
All other liabilities		523.26
Total Capital Liabilities		$1,939,661.20
GUARANTEED TRUST ACCOUNT:		
Guaranteed Investment Receipts:		
Principal	$3,685,819.50	
Interest due and accrued	38,919.05	
		$3,724,738.55
Trust Deposits:		
Principal and Interest		$2,952,885.76
TOTAL GUARANTEED TRUST LIABILITIES		$6,677,624.31
ESTATES DEPARTMENT:		
Estates, Trusts and Agency		$ 820,856.95
		$9,445,142.46

NELSON MONTEITH, President.
W. H. GREGORY, Managing Director.

Power Corp. Group Report Gain in 1943

Power Corp. of Canada controlled and affiliated companies reported power output in 1943 to 2,940 million kw.h., an increase of 3.78% over the returns for 1942. With the exception of Canada Northern Power and East Kootenay Power, all operating units report an increase in production.

12 Months Ended December

	Kilowatt Hours 1943	Kilowatt Hours 1942
B. C. Power	844,370,308	769,598,055
Can. Nor. Pr.	568,162,306	630,134,621
East Koot. Pr.	116,412,032	125,591,012
North. B. C. Pr.	23,332,065	20,043,952
So. Can. Pr.	290,901,070	278,221,322
Winn. Elec.	1,097,501,600	1,009,837,600
Total	2,940,679,381	2,833,426,562

C. Converters Seek Proxies

Present Management Asks for Support — Higher Dividend Seen

From Our Own Correspondent

MONTREAL. — Intimation that the quarterly dividend to be paid in April will be at a higher rate than the current 50 cents and a request for proxies are contained in a letter forwarded to shareholdholders of Canadian Converters Co. over the signature of President J. M. Mackie.

In his letter Mr. Mackie states:

"The group referred to in my letter of Dec. 22, 1943, have acquired a substantial block of our shares. Their holdings are still far short of a majority interest according to our official record.

"Internal reorganization which we put into effect in recent years is showing good results and the future of your company appears to be bright.

"Our financial position and earnings warrant an increase in our dividend and this will become effective with our April disbursement.

"Our annual meeting is some distance away, but we are desirous of knowing whether or not we can count on your support. If you consider the present management can serve your best interests, we would ask you to kindly sign and return the enclosed proxy."

Plan Big Loan By Seagrams

From Our Own Correspondent

MONTREAL. — Distillers Corp.-Seagrams Ltd. has called a special meeting of the preferred and common stockholders for March 1 to consider a by-law increasing the company's borrowing powers.

This is in connection with the $75 million line of credit arranged by the company with United States banks. The loan will provide the company with funds to finance on a long-term basis the purchase last October of Frankfort Distilleries, which cost $41.8 millions, and provide temporary working capital when needed.

The agreement provides for $50 millions at 2½% interest starting Jan. 24 to be reduced annually to $40 millions during the fifth year. A temporary credit of $25 millions at 2% will be available for the period of the loan during the season of peak sales, September to April.

The money will be made available to Seagrams' American operating companies and will be guaranteed by the parent company. A fee of ¼ of 1% will be paid on any unused part of the $75 millions line of credit.

Among the banks participating in the loan in substantial amounts are: Bank of America, San Francisco; First National and Continental, Illinois National Bank & Trust Co., Chicago; Union Trust Co., Pittsburgh; First National Bank, Boston; Security-First National Bank, Los Angeles; National Bank of Detroit, and the Pennsylvania Co. for Insurance on Lives and Granting Annuities, Philadelphia.

Mutual Life of Canada Payments Total Almost $300 Millions

Policyholders Number Over 180,000 and Buy More Than 35% of All New Insurance Sold by the Company

Business in Force $680 Millions

Louis L. Lang, President and W. H. Somerville, Vice-president and General Manager, Review Progress at 74th Annual Meeting

Mr. Louis L. Lang, President of The Mutual Life of Canada, when addressing the policyholders during the 74th Annual Meeting at Waterloo on February 3rd, pointed out that since its organization the Company has disbursed almost $300,000,000 to policyholders, and that over 35% of the new business issued during recent years had been purchased by existing policyholders. In 1943 the Company maintained its unbroken record of growth and entered its 75th year providing protection for more than 180,000 policyholders.

Praises War Effort

Mr. Lang spoke in high praise of Canada's war work, and of the armed services in particular. He pointed out that Canada's accomplishments and those of all democratic and freedom-loving peoples have, in times of peace and war, been based on the broad foundation of individual effort and free enterprise, and added:

"A yearning for the security of one's family moves men to exert themselves beyond the requirements of mere survival. Pride of work, pride in the superiority of their product, the doing of a better job than the other fellow, prestige of position—all these are aspirations that motivate men's actions. Initiative finds its expression in competition, and competition is possible only where there is a freedom of choice and action. Where men are denied freedom of choice and action initiative disappears, slowly, it may be, but surely, and gives way to inertia and inefficiency. When the opportunity for improving one's lot is narrowed men are apt to lose the interest in their work essential to progress."

Referring to governmental controls and restrictions, he stated it is desirable that they should be reduced to a minimum degree consistent with the national welfare, particularly in the post-war period.

Post-War Employment

The likely problem of finding post-war employment for almost half of our able-bodied population of working age will fall on the shoulders of private enterprises, said Mr. Lang, adding:

"There is not even a faint hope that the state can make work for all these citizens of ours, and if it could, this type of work is a most costly method of absorbing labour, and is not economically sound. Consequently, anyone who uses the talents God gave him to torpedo free enterprise is, in effect, without realizing it, talking himself out of a job."

Speaking particularly of the cost of life insurance Mr. Lang reviewed the history of The Mutual Life, and stated that the aim of the founders to provide life insurance protection at the lowest possible net cost consistent with absolute safety had been achieved.

He emphasized the fallacy of the argument that it is not necessary for a life insurance company to employ agents, stating that attempts have been made to do this, without any reasonable measure of success. Life insurance salesmanship today has reached the status of a profession, the degree of Chartered Life Underwriter being awarded to those who pass exacting examinations.

The administration of life insurance by government agencies rather than by individual companies, as at present, was discussed at length by Mr. Lang, who saw no benefits to the public from such a system and very great disadvantages. He pointed out that in a mutual company such as The Mutual Life, for instance, the only persons to be "bought out" under a government arrangement would be the policyholders, the owners of the Company's assets, composed of the obligations of private persons under mortgages, of private corporations under bonds, of municipalities, of the Province and of the Dominion. Mr. Lang added:

"The assumption by the government of the great reservoir of funds created by life insurance premiums would not only seriously disrupt the flow of normal investment funds so essential to the orderly and effective development of the nation's resources but would place within the reach of politicians funds which hitherto have been held as a trust for one purpose only, to satisfy a sacred obligation to widows and orphans and to those who have devoted the savings of their earning years to provide a comfortable old age."

Other Disadvantages

Among other disadvantages cited by Mr. Lang was the fact that the safeguard now provided by the federal department of insurance would not exist if life insurance premiums become part of government income. He also emphasized the fact that the proper administration of life insurance requires the services of officials who have acquired a broad technical knowledge as a result of years of study and experience.

Mr. Lang closed his address with the observation that imperfections in an economic system do not necessarily mean that the system is wrong and that free institutions must be abolished, or that it would be wise for the government to take over operations in many fields. The principles which actuated the founders of The Mutual Life — a determination to take care of their own domestic responsibilities and be independent of paternalistic benevolence —is the thought that should be repeated throughout this country, said Mr. Lang, who added:

"I prefer to think that we in Canada choose to be free men, and that we will continue to do our building on this foundation."

GENERAL MANAGER'S ADDRESS

Mr. W. H. Somerville, General Manager, reported that Assurances in Force increased by $41,499,837 to a total of $680,026,296. New Business for the year, excluding Annuities and Revivals, amounted to $63,366,773. When commenting on the new insurance sold, and the terminations, Mr. Somerville said:

"The type of policy sold will largely determine the length of time it will remain on the Company's books. Persons buying life insurance do so to meet varying needs. . . . In view of the varying purposes which people have in buying insurance, many of the so-called terminations have fulfilled the insurance needs of the owners of those policies — in fact, many such terminations are involuntary, such as those caused by the death of the insured, by the maturity of endowment contracts, or by the expiry of Term insurance, taken at low cost for temporary protection.

"The needs of beneficiaries are frequently just as varied as those of the policyholders, after the original policy has served its purpose. . . . Many of the terminations shown in the Assurance Account merely record the transfer from one form of Contract to another."

With reference to the subject of lapsation, Mr. Somerville said:

"Every possible effort is made to avoid the lapsation of policies as, contrary to much prevailing opinion, lapsed policies are a financial loss to the Company, and often cause dissatisfaction. It is doubtful if our Company's lapse record is excelled on this continent, and this stands as a tribute to the fine quality of our field representation."

Mortality Tables

In view of recent comment on the effect which the use of more modern mortality tables would have on life insurance rates Mr. Somerville pointed out that the Company is using tables which reflect modern experience.

He pointed out further that practically all of the ordinary insurance sold by The Mutual Life is participating and any savings resulting from a mortality experience which is more favourable than that assumed in calculating the premiums, is returned in the form of dividends, or premium refunds, to those policies which produce the savings.

Of special interest is Mr. Somerville's explanation of the nature of life insurance reserves:

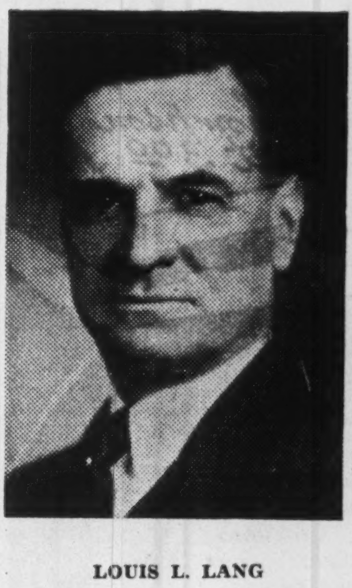
"In Banking, Rest, or Reserve, is regarded as consisting of the profits remaining undivided after payment of Dividends, or, in effect, as Surplus. In life insurance, the term 'Reserve' has an entirely different meaning. It is the amount of funds which with future premiums and accumulated interest, will enable the Company to meet all future obligations to policyholders. Accordingly, the amount of Reserve in our Statement is not a distributable sum, except to the extent it is drawn upon to meet claims."

Referring particularly to the progress of The Mutual Life in 1943, he stated that Surplus Funds at December 31st aggregated $12,038,702, an increase for the year of $792,657, after making provision for possible war mortality of $1,250,000.

Surplus Earnings for the Year were very satisfactory and amounted to $5,212,876.

During 1943 Assets increased by $15,491,656 to a total of $235,191,289.

Total holdings of Dominion Government and Dominion Guaranteed Bonds amounted to $102,609,651, or 35% of the total assets. The Company subscribed to a total of $29,000,000 of the two 1943 Victory Loans.



LOUIS L. LANG
President, Mutual Life of Canada who presided at annual meeting.

Security Holdings

The aggregate market value of the Company's holdings of Bonds and Stocks exceeded by approximately $8,000,000 the value at which they are carried in the statement. Holdings of preferred and common stocks, which represent 3.80% of total assets, were decreased by $139,985. Mortgage Loans and Sale Agreements decreased by $2,262,072, borrowers under mortgages making substantial reductions in their indebtedness. Western farm Mortgage and Sale Agreement indebtedness has decreased about $2,000,000 between January 1, 1938, and January 1, 1944, or 20% of the amount owing at the beginning of the period. The Company has National Housing Act Loans of $5,612,039, with which the experience has been very satisfactory. Real Estate holdings other than Head Office totalled $1,826,644, this account having diminished rapidly during the past three years.

Loans to policyholders, secured by the cash values of policies in the Company, are lowest since 1929, and were reduced $2,077,968 in 1943.

The rate of interest earned on Invested Assets during 1943 was 4.56% as compared with 4.57% in the previous year. Mr. Somerville pointed out that the rate is better than might have been anticipated, having regard to the relatively low rate obtainable on new investments and the substantial reduction in mortgages, sale agreements and policy loans.

Mr. Somerville commended the Company's representatives in the field for the valuable service they have given in increasing the security which life insurance provides for Canadian homes, in enlarging the flow of money into channels which assist in preventing inflation, and in aiding the Government in the sale of Victory Bonds; and referred to the large number of representatives and other members of the Company's organization who are serving with the armed forces.

THE
MUTUAL LIFE
OF CANADA
Established 1869

HEAD OFFICE WATERLOO, ONTARIO

74th Annual Statement

Combined Profit and Loss and Surplus Account

Revenue Basis

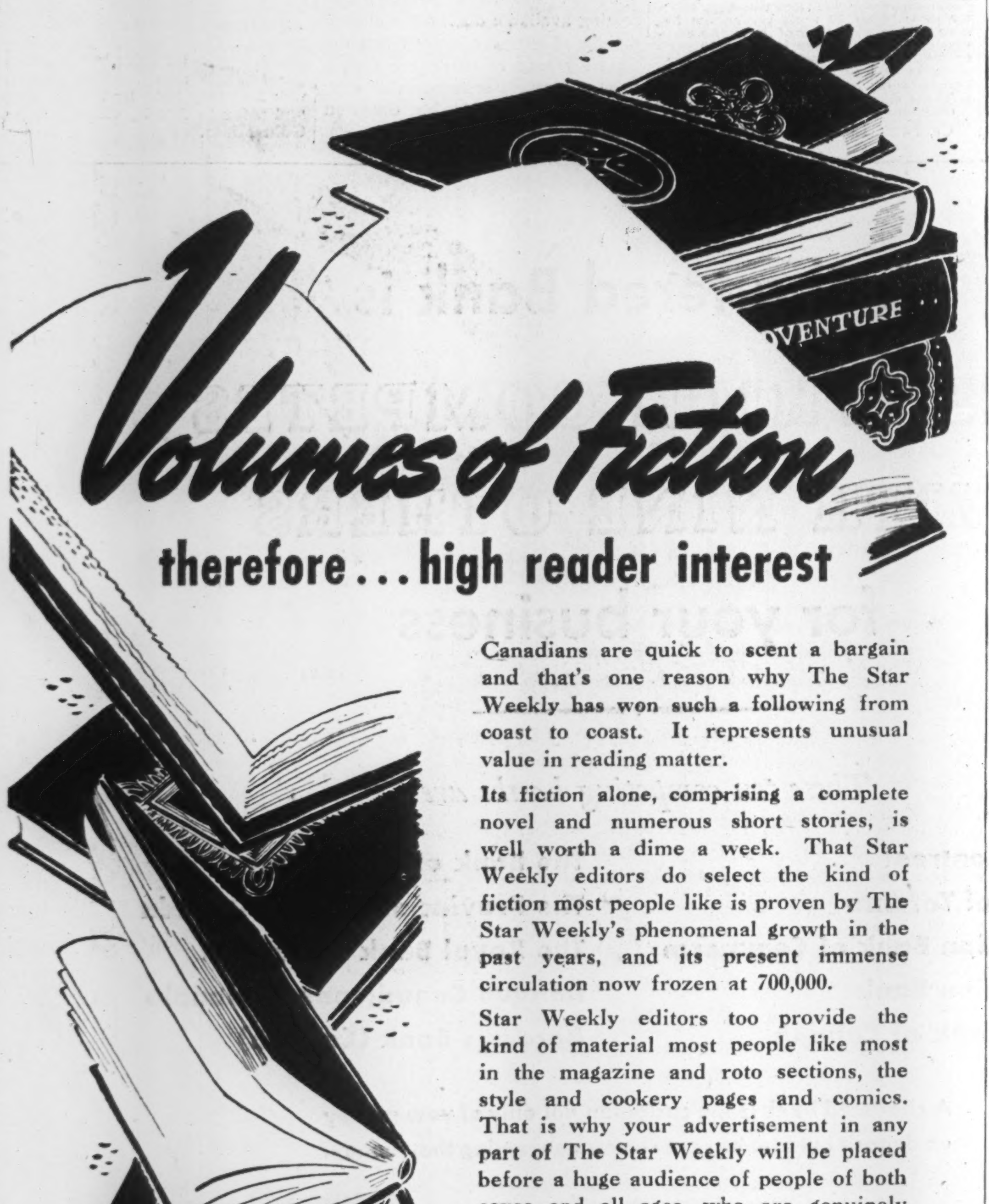
For the Year ended December 31, 1943
(Including Group Accident and Sickness Branch)

SURPLUS FUNDS at December 31, 1942, consisting of:			
General Investment Reserve		$ 2,500,000.00	
Free Surplus for Contingencies		8,746,044.83	
			$11,246,044.83
INCOME			
Premiums for Assurances and Consideration for Annuities	$20,075,652.31		
Interest, Dividends and Rents (after provision for possible future losses)	9,872,540.01		
Consideration for Settlement Annuities arising out of assurance policies	834,901.65		
Policy Proceeds, Dividends and Other Amounts left with the Company	4,464,338.43		
Net Profit on Sale of Ledger Assets, and Foreign Exchange	170,025.45		
		$35,417,457.85	
EXPENDITURES			
Death and Disability Claims	$ 5,241,248.46		
Matured Endowments and Surrender Values	4,420,111.20		
Annuity Payments	253,358.85		
Policy Proceeds, Dividends on Deposit and Other Amounts Withdrawn	2,847,505.05		
General Expenses and Taxes	3,883,906.42		
Net Amount by which Ledger Assets were written down	356,774.68		
	$17,002,904.66		
Increase in Actuarial and Staff Pension Reserves and Amounts on Deposit with the Company	$13,201,676.96		
		$30,204,581.62	
SURPLUS EARNINGS FOR YEAR		5,212,876.23	
Add: Reduction in Specific Investment Reserves due to Recoveries		284,155.32	
Deduct: Provision for possible Additional War Mortality		1,250,000.00	
NET AMOUNT TRANSFERRED TO SURPLUS FUNDS			$ 4,247,031.55
Total			$15,493,076.38
SURPLUS PAID OR ALLOTTED TO POLICYHOLDERS			3,454,373.64
SURPLUS FUNDS at December 31, 1943 consisting of:			
General Investment Reserve		$ 2,500,000.00	
Free Surplus for Contingencies		9,538,702.74	
			$12,038,702.74

Surplus Earned in 1943	**$ 5,212,876**
Total Payments in 1943 to Policyholders and Beneficiaries	**$ 13,369,092**
New Assurances Paid for in 1943	**$ 63,366,773**
Total Assurances in Force at End of Year	**$680,026,296**
Total Assets at End of Year	**$235,191,289**

LOUIS L. LANG
President

W. H. SOMERVILLE, C.B.E.
Vice-President and General Manager



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therefore . . . high reader interest

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Its fiction alone, comprising a complete novel and numerous short stories, is well worth a dime a week. That Star Weekly editors do select the kind of fiction most people like is proven by The Star Weekly's phenomenal growth in the past years, and its present immense circulation now frozen at 700,000.

Star Weekly editors too provide the kind of material most people like most in the magazine and roto sections, the style and cookery pages and comics. That is why your advertisement in any part of The Star Weekly will be placed before a huge audience of people of both sexes and all ages, who are genuinely and completely interested.

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PUBLISHED AT 80 KING STREET WEST, TORONTO, CANADA

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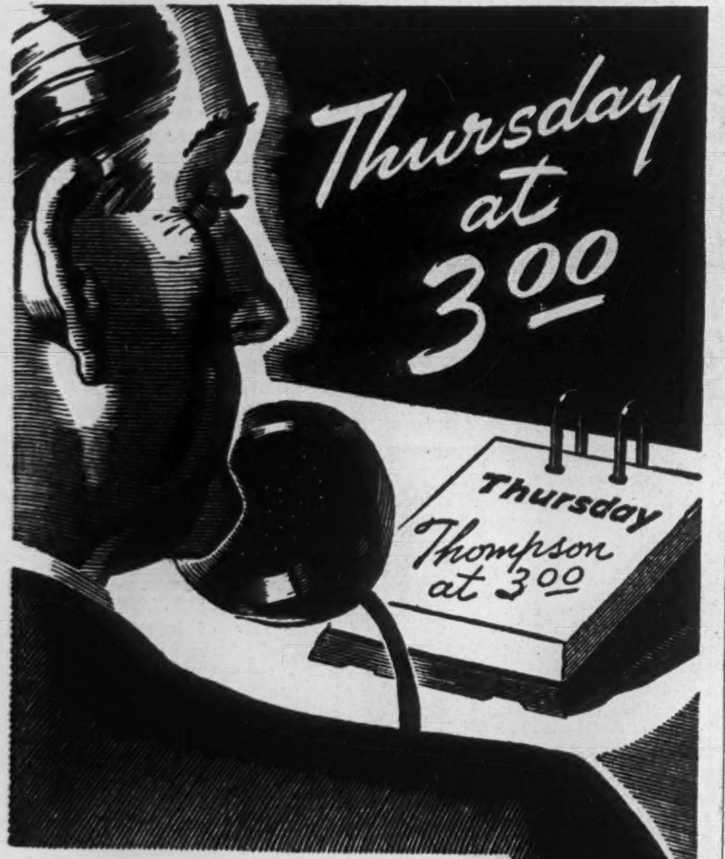


● "Hello, is that Frank Smith? This is Bob Thompson of The Imperial Life Assurance Company calling. I am introducing myself over the telephone because I know you are a very busy person. I should like to meet you and have fifteen minutes with you. Will Thursday at three o'clock be convenient?"

Because of gasoline rationing and other travel difficulties, every life insurance man is becoming increasingly dependent on calls "by appointment". By telephoning he shows that he knows your time is valuable. So is his.

He is calling because he has something of practical interest to tell you. It may be an item of service in connection with your present insurance he wishes to discuss. He may have a timely idea to present to you. Whatever it is, it will be worth your while to say "Okay—see you Thursday at 3:00", or to arrange some other time mutually convenient.

See Your Local Representative

IMPERIAL LIFE

Founded 1897

Head Office - TORONTO

BRANCHES AND AGENTS IN ALL IMPORTANT CENTRES

Perron Gold Mines did 902 ft. of drifting and 553 ft. of crosscutting during the December quarter, all of which was above the 1,025-ft. level. This represented an increase in development of 15% over the previous period; 2,880 cars of 0.15 oz. ore were taken from development faces during the period. Many important new ore sections are stated to have been cut in diamond drilling on and above the 175-ft. level. The No. 32 vein contributed 49% of the gold milled during the quarter. Production was $255,926 from 25,519 tons of ore milled.

Depositors Rebuild Savings

Bank Accounts Show Marked Recovery After Victory Loan

Public deposits in the chartered banks at the end of December were $142.8 millions above those of the previous month and $472 millions higher than last year, according to the regular monthly return of the chartered banks to the Minister of Finance as at Dec. 31. The increase followed a decline of $286 millions in November, which is attributed as mainly due to withdrawals from savings and current accounts for investment in the 5th Victory Loan. The recovery is almost 50% of the decline, and follows the pattern seen after other Victory loans, depositors rebuilding their depleted accounts immediately after each loan. At the rate of recovery shown in December total deposits in the chartered banks should have recovered the full amount they fell in November, well before the next Victory Loan campaign opens.

Deposits of the Dominion Government with the chartered banks dropped $205 millions in December, the result of the government expenditures. They were $245 millions above the same date in 1942. Deposits of the provincial governments were higher in both comparisons while foreign accounts also were higher.

Current Loans Drop

Current loans during December fell $97 millions through still $3 millions higher than the year before. During the month customers who had borrowed to buy Victory bonds repaid a substantial part of their loans while borrowing by business in the ordinary way remained light. Canadian call loans were slightly higher probably reflecting increased stock market activity while loans abroad both call and current were up for the month. Call loans abroad were also higher for the year but current loans abroad were lower.

The banks' cash position continued strong at $471 millions, somewhat below the previous month but substantially higher than a year before.

Note circulation of the banks was down to $43.1 millions. The banks as a group according to existing bank legislation, were required to have their note circulation by Jan. 1 down to 35% of their paid up capital. As the paid up capital is $145.5 millions, the legal maximum circulation was $50.9 millions.

Important items from the statement with comparisons follow:

Use of Bank Credit
(In Millions of Dollars)

	December 1943	November 1943	Change	December 1942	Change
Loans	1,204.5	1,302.4	—97.9	1,198.8	+5.7
Investments	2,939.7	2,938.4	+1.3	2,293.2	+646.5
Total	4,144.2	4,280.8	—96.6	3,492.0	—652.3
Deposits	3,644.5	3,501.7	+142.8	3,172.5	+472.0
Credit index*	31.6%	35.5%	—3.9%	35.6%	—4.0%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

Immediately Available Liquid Assets

	December 1943 $	November 1943 $	Change $	December 1942 $	Change $
Canadian coin	8,063,032	7,774,708	+288,324	5,782,927	+2,280,102
Bk. of Can. notes	122,900,254	127,160,808	—4,260,554	121,117,838	+1,782,416
Bk. of Can. depos.	340,195,795	360,609,183	—20,413,388	259,737,885	+80,457,910
Bank's cash	471,159,081	495,544,699	—24,385,618	386,638,650	+84,520,431
Other bank's notes	918,459	986,748	—68,289	1,552,843	—634,384
Gold sub. coin abd.	2,396,053	2,631,717	—235,664	2,630,359	—234,306
Foreign banks	237,093,677	225,306,220	+11,787,457	225,080,603	+12,013,074
Foreign currency	86,381,962	83,427,784	+2,954,178	48,608,640	+37,773,322
Gov. sec. short term	1,663,843,738	1,671,180,416	—7,336,678	1,261,630,845	+402,212,803
Do., long term	963,008,384	965,034,047	—2,026,463	739,498,798	+223,509,586
Call loans abroad	96,151,735	90,973,901	+5,177,834	73,607,200	+22,544,535
	3,520,953,089	3,535,086,332	—14,133,243	2,739,247,,938	+781,705,151
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	63,228,644	61,309,145	+1,919,499	68,963,872	—5,735,228
Public secs.♦	177,377,063	169,410,713	+7,966,350	140,272,419	+37,104,644
Other secs.	72,242,028	71,431,067	+810,961	82,866,558	—10,624,530
Can. call loans	48,173,499	43,451,885	+4,721,614	31,721,473	+16,952,026
Current loans	1,103,715,772	1,201,230,243	—97,514,471	1,099,807,975	+3,907,797
Loans abroad	99,686,811	99,156,786	+530,025	113,217,112	—13,530,301
Prov. loans	7,510,066	7,536,202	—26,136	6,118,812	+1,391,254
Mun. loans	45,101,590	50,157,623	—5,056,033	61,612,772	—16,511,182
	1,617,035,473	1,703,683,664	—86,648,191	1,604,080,993	+12,954,480
Other Assets					
Non-current loans	2,262,865	2,369,682	—106,817	3,306,872	—1,044,007
Real estate	4,603,610	4,673,774	—70,164	5,410,991	—807,381
Mortgages	2,775,713	2,888,778	—113,065	3,305,302	—529,589
Premises	64,741,319	64,818,591	—77,272	87,784,933	—3,043,614
Letters of credit	111,957,760	115,090,299	—3,132,539	113,488,675	—1,490,915
Loans to comp.	10,330,078	10,599,342	—269,264	10,930,664	—600,586
Other assets	2,686,739	2,590,567	+96,172	2,146,269	+540,470
	199,358,084	203,031,033	—3,672,949	206,333,706	—6,975,622
Total	5,337,346,646	5,441,801,029	—104,454,383	4,549,662,637	+787,684,009
Note cir. dep.	3,282,624	3,348,799	—66,175	4,027,363	+744,739
Int. bank bal.	268,490,969	193,763,507	+74,727,462	212,880,513	+55,610,456
Gross	5,609,120,239	5,638,913,335	—29,793,096	4,766,570,513	+842,549,726
LIABILITIES					
Circulation	43,118,373	44,408,001	—1,289,628	61,860,858	—18,742,486
Dom. Govt.	661,584,763	866,810,561	—205,225,798	416,520,782	+245,063,981
Prov. Govt.	88,458,668	85,628,521	+2,830,147	68,243,404	+20,215,264
Deposits by Public					
Demand dep.	1,696,765,675	1,619,191,655	+77,574,020	1,499,311,099	+197,454,576
Savings dep.	1,947,774,749	1,882,539,587	+65,235,162	1,673,189,283	+275,585,466
Total	3,644,540,424	3,501,731,242	+142,809,182	3,172,500,382	+472,040,042
Foreign dep.	654,515,561	622,995,693	+31,519,868	544,876,249	+109,639,312
Due to Banks Abroad					
United Kingdom	32,103,185	31,462,930	+640,255	30,539,938	+1,563,247
Foreign	51,452,493	51,481,353	—28,860	36,934,260	+14,518,233
Letters of credit	111,957,760	115,090,299	—3,132,539	113,488,675	—1,490,915
Other liabs.	6,220,795	5,568,840	+651,955	6,285,484	—64,689
Total public liabs.	5,293,952,022	5,325,177,440	—31,225,418	4,451,210,032	+842,741,990
Due bet banks	16,685,945	14,230,328	+2,455,617	17,465,025	—779,080
Liability to Shareholders					
Dividends	1,174,660	1,797,266	—622,626	1,201,832	—27,172
Reserve	136,750,000	136,750,000	....	136,750,000	....
Capital	145,500,000	145,500,000	....	145,500,000	....
Gross	5,594,062,627	5,623,455,054	—29,392,427	4,752,126,889	+841,935,738

♦Other than Canadian.

Increase Seen In Note Issue

Bank of Canada Deposits and Total Assets Slightly Lower

The downward trend in note circulation of the Bank of Canada, noticeable since beginning of the year, received a check in the week ended Feb. 2 when the total showed an increase of about $1 million. In the January decline and the recovery which now seems to have started the note issue is following the normal seasonal trend of currency circulation.

Total deposits with the bank were lower for the week, the decline occurring in Dominion Government accounts. Chartered bank and miscellaneous deposits were higher. On the credit side total assets were about $3 millions lower.

	Feb. 2 1944 $	Jan. 26 1944 $
Capital paid-up	5,000,000	5,000,000
Notes in circ.	862,242,722	861,154,333
Rest fund	6,472,953	6,472,953
Deposits: Dom.	26,902,418	46,119,543
Chartered bks.	352,307,111	349,355,068
Other	22,789,791	15,100,809
Total deposits	401,999,320	410,575,420
All other liabs.	24,606,395	19,964,262
Total liabs.	1,300,321,390	1,303,166,968
Assets		
In Sterl. & U.S.	436,382	436,382
Subsid. coin	519,684	468,250
Investments:		
Dom. gov. sh.	798,219,657	798,663,743
Oth. Dom. gov.	485,545,178	486,209,357
Total invest.	1,283,764,835	1,284,873,100
Premises	1,968,729	1,967,133
All other assets	13,631,760	15,422,103
Total assets	1,300,321,390	1,303,166,968

Company Reports

Real Estate Loan

Years Ended Dec. 31:	1943	1942
Earned per share	*$4.62	†$2.49
Paid	2.00	2.00
Total net assets‡	$1,136,728	$1,217,140
Gtd. liabilities	392,563	481,099
Shareholders' equity	744,165	736,041

*Based on net income before deduction of contingent reserve $5,000.

†Based on net income after deduction of investment reserve ($500) and real estate reserve ($6,000).

‡Total assets less current liabilities.
(Previous year's figs. bracketed below).

Net profit of $23,124 ($12,435) was reported by Real Estate Loan Co. for the year ended Dec. 31, 1943, after provision of $9,900 ($5,042) for taxes. Allocations made last year to investment reserve ($500) and real estate reserve ($6,000) were not repeated, but $5,000 was provided for contingencies. (This contingency reserve provision has not been deducted from the 1943 net income figure quoted above.) Mortgages and agreements of sale showed a decrease to $873,390 ($900,645). Real estate held for sale stood at $128,858 ($208,410). Dominion of Canada bonds increased to $100,000 ($41,979). On the liabilities side, sterling debentures fell to $370,183 ($458,197), while currency debentures remained almost constant at $20,157 ($20,162).

Premier Trust

Years Ended Dec. 31:	1943	1942
Earned on paid-in cap.	2.26%	1.81%
Paid	2.00%	2.00%
Total net assets*	$4,247,871	$4,122,797
Gtd. liabilities	3,010,836	2,889,299
Shareholders' equity	1,237,035	1,233,498
Estates, trusts and agencies	7,472,497	7,680,607

*Total assets less current liabilities and investment reserve.

†Based on net profit after deduction of taxes, write-off and transfer to investment reserve; earnings after taxes, but before write-offs, amounted to 5.58% and 4.88% respectively.

(Previous year's figs. bracketed below).

Net revenue of Premier Trust Co. from 1943 operations amounted to $82,837 ($79,311). After deduction of $14,000 ($21,000) for taxes, $36,000 ($31,000) written off assets, $5,000 ($5,000) transferred to investment reserve, and $24,649 ($24,645) for payment of dividends, a balance of $4,401 ($1,181) was carried forward to 1944. Mortgages held in guaranteed trust account stood at $1,153,275 ($1,423,651). Holdings of Dominion of Canada and provincial bonds and guarantees in both capital and guaranteed trust accounts amounted to $1,472,186 ($1,039,778).

Capital Trust

Years Ended Dec. 31:	1943	1942
Earnings on paid-in capital*	2.33%	1.60%
Paid	1.50%	1.00%
Total net assets†	$7,000,854	$6,666,042
Gtd. liabilities	5,814,132	5,484,478
Shareholders' equity	1,186,722	1,181,564

*Based on net profit after deduction of taxes and provision for pension fund, and, in 1942, of write-offs on office furniture and western government bonds. These latter items amounted to $921 and $10,441 respectively. Operating earnings were equal to 5.43% of paid-up capital in 1943 and 4.20% in 1942.

†General reserve amounting to $160,000 ($160,000) and contingent reserve of $130,000 ($127,000) have not been deducted from total net assets.

Estates, trusts and agencies account	$9,922,303	$9,037,288

(Previous years' figs. bracketed below).

Capital Trust Corp. reports operating earnings of $48,130 ($37,223) for the year ended Dec. 31, 1943. Taxes amounted to $24,500 ($10,000), and provision of $3,000 ($3,000) was made for pension fund, leaving net profit of $20,630. (In 1942, $921 was written off fixtures and safety deposit boxes and $10,441 off western government bonds, leaving net of $12,860). A transfer of $5,303 was made to contingent reserve in 1943.

Market value of assets held in capital and guaranteed trust accounts increased substantially during the year, T. D'Arcy McGee, president, stated. Real estate held for sale decreased to $278,724 ($388,696). Mortgages held in both accounts were $3,789,230 ($3,722,705). Dominion and provincial securities held totalled $2,465,220 ($2,215,391).

Caldwell Linen

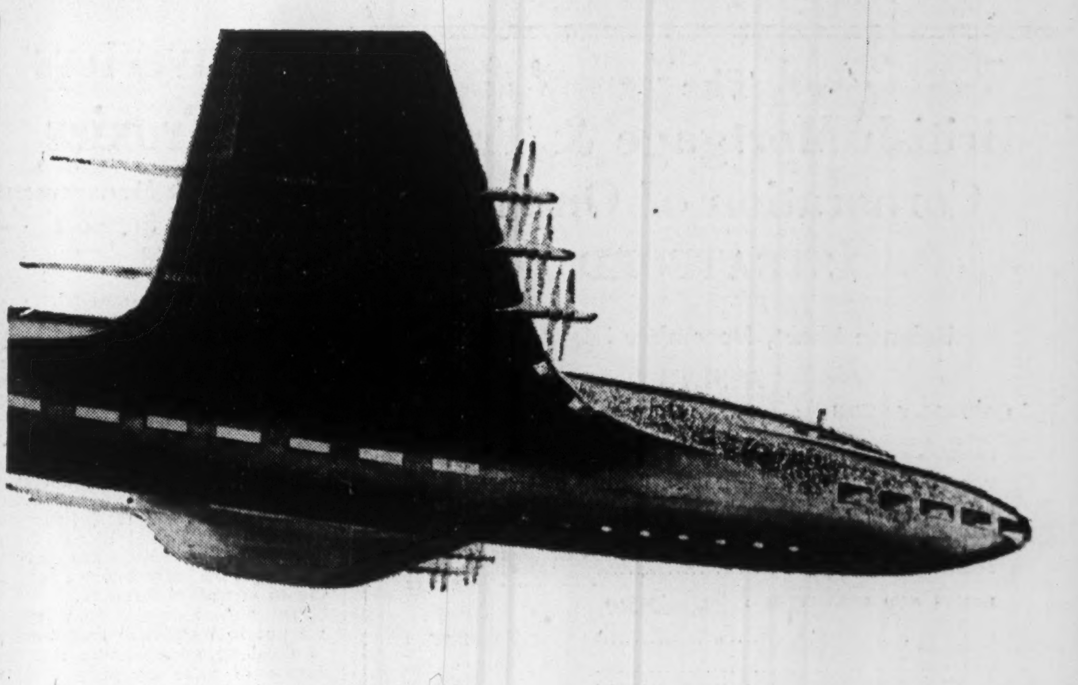
Years Ended Dec. 31:	1943	1942
Earn. per share 1st pref	$4.47	$5.82
Paid	1.50	1.50
Earned 2nd pref.	1.79	2.59
Earned 2nd pref.*	0.69	1.00
Paid	0.80	0.80
Earned common	0.69	1.00
Paid	0.25	nil

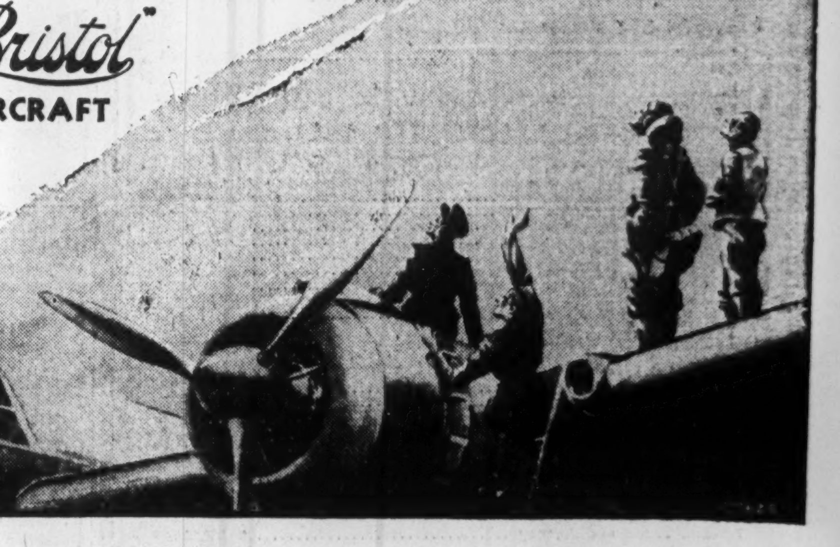
*After taking into account equal participation of 2nd pfd. and common, share for share, after 80 cents per annum has been paid on each class of share. As earnings on this basis were less than 80 cents in 1943, the participating feature did not apply in that year and the figure shown here is for comparative purposes only.

Working capital	$412,475	$365,,615

(Previous year's figs. bracketed below).

Caldwell Linen Mills Ltd. earned in 1943 substantially the maximum amount permitted under existing tax legislation, H. H. Caldwell, president, reported to shareholders. Net profit after provision for depreciation and income and excess profits taxes was $67,110 ($87,252). Deduction for taxes amounted to $101,625 ($222,000) and for depreciation $32,396 ($37,641). Additional materials becoming available during the closing months of the year suggest that the company may reach during 1944, a level of production comparable with the first half of 1943, Mr. Caldwell stated.





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Sullivan Consolidated Mines announces that Legault Gold Mines has accepted its offer to acquire all the Legault assets. The property was formerly held by Jacola Mines and prior to that by Greene Stabell Gold Mines.

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"Tariff" is a list of charges to be made for goods or services. In the case of insurance it is a schedule of rates to be charged for insurance against financial loss by fire or other disaster.

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There was a definite upward trend in fire losses during 1943. This was due in large measure to physical causes brought about by war conditions.

Avoid Fire Losses by Good Housekeeping. Eliminate all obvious hazards. Be on the alert at all times.

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UNION INSURANCE SOCIETY OF CANTON
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Established 1835 COLIN E. SWORD, *Manager for Canada*
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British Traders Insurance Company Limited - The British Oak Insurance Company Limited - Beaver Fire Insurance Company
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A Chartered Bank is
ONE WHICH COMPETES WITH NINE OTHERS
for your business

These ten competing banks are:

Bank of Montreal
The Bank of Toronto
The Canadian Bank of Commerce
The Dominion Bank
Imperial Bank of Canada
The Bank of Nova Scotia
The Provincial Bank of Canada
The Royal Bank of Canada
Banque Canadienne Nationale
Barclays Bank (Canada)

A chartered bank is the custodian not only of your money on deposit but also of your secrets concerning that money.

A CHARTERED bank is an institution where the details of your bank account are kept secret.

It is called "**chartered**" because its **permission** to do business and the conditions and restrictions under which it **may do** business, are contained in **a charter** granted and kept up-to-date by parliament, the finest democratic free institution of government that man has yet devised. This charter is an Act of Parliament laying down all of the conditions which safeguard your money.

Ten competing chartered banks are the very opposite of a State Monopoly such as would come about if all the banks were rolled into one by nationalization. Under State Monopoly, if you failed to get accommodation at the one bank, you could not go to any one of nine others to seek it. **You can today!**

THE CHARTERED BANKS OF CANADA

62ND.

ANNUAL MEETING

Mr. Charles McCrea, K.C., President and Mr. William G. Watson, Vice-President and General Manager address the shareholders. A year of progress and expansion.

ASSETS INCREASE $6,500,000

SURPLUS UP $65,000

PRESIDENT

The President, Mr. Charles McCrea, K.C., in moving the adoption of the Report, said, in part:—

"To-day your Directors present an account of your business affairs for the year 1943. This is our 62nd Annual Meeting and the fifth successive annual gathering since the beginning of World War II.

HISTORY OF CORPORATION

"The period from the organization of your Corporation in 1882 to the end of 1943 carries us through some of the greatest pages of Canadian history. Your Corporation had its commencement in the Victorian era; many of the Fathers of Confederation were still alive. The laying of the foundations and shaping of Canada's destiny was their chief concern. The Founders of this Corporation believed that an institution such as yours could play a part in the building of a great national edifice. Your Corporation has witnessed the expansion of Eastern Canada and the building of the West. Its history marks milestones in Canada's progress; it was inaugurated by men who had faith in Canada's future and the part Canada could play as a nation and as a part of the British Empire.

"From its inception the Corporation commanded the confidence of the public and that confidence has been maintained and enhanced. During a period of over three score years of administration of trusteeships, agencies executorships and the supervision of many businesses committed to its care, it has amply vindicated the judgment of its founders. Since 1882 assets amounting approximately to $700 millions in value have come into its hands; and while the greater portion of these assets have been distributed to the designated beneficiaries upon the termination of the Will or Trust Deed, there still remains in our keeping, subject to the terms of the legal instruments under which we are appointed, assets of some $234,000,000.

VALUE OF A TRUST COMPANY

"The man on the street often fails to realize the important part a trust company plays in the lives of people; literally thousands of citizens, widows, children, beneficiaries, are enabled to have their affairs managed and handled by expert administrators. A trust company having continuous existence, with financial responsibility and ability to carry out its duties and undertakings, lives on to protect the old and young according to the directions of testators planning for the benefit of others.

THE WAR

"The spirit which fought to build up our great nation is to-day fighting to defend it. We are fighting abroad and at home; we are paying in blood and treasure as freedom lovers have ever done, for freedom and liberty are precious possessions, as the world has come to know. The battle wages into its fifth year. The banners of Empire, harried and hard-driven in the early stages, now with powerful Allies, the great Republic of the United States, immensely powerful Russia and liberty loving China, press on to victory, slowly, surely, but inevitably.

"The business of war has stimulated our economy. Vast sums of money have been made available for the war effort, and one-half of Canada's production of 1943 has been devoted to war purposes.

"Because of war economy, many localities have improved their position; others have suffered. Canadians on the various fighting fronts and Canadians on the home front have added lustre to the name of Canada throughout the world. We are still at war, and must still maintain our best effort until the Allied armies are finally triumphant.

1944

"In these early days of 1944, the world, with straining eyes, would read the future. Those under the tyrants' heels, numbed and dazed but with the hope of liberty and freedom still flickering, look to the Allied Powers for resurrection. Those of the Allied world fight on with renewed vigor and power, pledged in a pact of brotherhood to re-establish world freedom; pledged as well to build a peace founded on justice and moral ideals—this to be implemented with a measure of power to be exercised in the protection, rather than suppression of human rights and liberty.

"For Canada, the main features facing us in 1943 present themselves again in 1944. These are winning the war, the transition from war to peace and the establishment of a new peace economy.

PEACE AND RECONSTRUCTION

"Until victory, the present tempo will continue, with some lines of production easing off. When the war ends, goods required for war purposes will not be made. The outstanding job for Canada is to make ready for the transition from war to peace and to play a part in the shaping of a new economy. A victory of arms is only part of our job. What we shall gather as the fruits of victory is all-important. If we are to win an enduring peace, it must be a peace not only for the victorious peoples but for the peoples of the defeated countries, and it must be a lasting peace. The establishment of this new peace economy, in which Canada must play a part, will be a protracted development, requiring a long period of study and adjustment. The slogan 'World Peace through World Trade' has a meaning for us as well as other nations. Unless the peace is built on the great principles enunciated in the Atlantic Charter and at the Teheran Conference, embracing a broad justice among nations and mankind, it will fail. To establish a world peace programme will require goodwill international trust and statesmanship. The difficult task of building up agreements between forty and fifty nations will take time. The Allied Powers must give leadership and must avoid the failures arising out of the last war. Each nation will have its own plan or method and the reconciliation of differences will be a tremendous undertaking. Countries which, under the old order, pursued their individual way, producing acute national animosities, must face the problem of bringing about a co-ordinated and orderly world in which mankind will have a chance of reasonable contentment.

"The Peace Conference will be a world economy conference. Until a general formula is found, Canada must carry on. She is fortunate in her present outlook. She has great industries, able and industrious leaders, men of inventive genius, skilled workmen, great areas of fertile lands, mineral lands and timber resources. Great markets will be available for the peace needs of our own and other countries, and for the re-building of a war-torn world.

"Tens of thousands have changed their place of abode and occupations for war work. Fighting sons and daughters have temporarily left their jobs to take their places in the Armed Services. Our population has increased. The readjustment of these conditions to peace pursuits is a challenge, not only to Governments but to every Canadian who can contribute to the successful transition.

FREE INSTITUTIONS

"Our policy in working this out should be to build in the future as we have built in the past—on the initiative and individual effort of a free people in a free world. Let us not forget that we have a great birthright and that we should keep step with the great builders of Canada, and in harmony with the principles so aptly expressed by the Great Churchill, who declared:

"'We must beware of trying to build a society in which nobody counts for anything except the politician or the official—a society where enterprise gains no reward and thrift no privilege'.

"Churchill's words should be held before the eyes of every man lest his individual freedom be lost in a Socialist State. We must preserve the anchor posts of free institutions, our heritage under the British Flag. Step by step, we can introduce improvements in the social order within the scope of our present governmental system, but the crucial test of our ability to do so will be our ability to pay for them. The state holds no magic money chest; its exchequer is the pockets of the people.

"All signs indicate that if we can successfully negotiate the transition period we can enjoy a substantial measure of prosperity until we move into the greater era of a world peace economy. Our past achievements prove what the Canadian people can do, and if we be true to ourselves we have nothing to fear.

THE MINING INDUSTRY

"Our mining industry, under wise policies of development and able leadership, should play an outstanding part. We have gold, silver and other precious metals, and great potential supplies of coal and oil. We have been abundantly blessed in our deposits of nickel, copper, lead and zinc with great complementary hydro-electric power supplies to assist in their production. Last, but no means least, Canada will have an abundant source of high quality hematite iron, tributary to the Great Lakes, to satisfy the expanding needs of our own country. Moreover, Canada, with aluminum, magnesium and lighter alloys should participate in the new scientific enterprises begotten by the stern needs of war but available to be advanced and utilized for peace.

PROBLEMS PRESENTED BY CURRENT TAXATION

"In war times many matters of importance are subordinated to the needs of the hour. We must be alert to the correcting of legislation which bears heavily in many communities to the disadvantage of local stability; as an instance I point to the serious situation arising due to the duplication of succession duties and income taxes in connection with the smaller manufacturing and industrial companies—where an individual has built up a business and then turned it over to a company which he has incorporated for such purposes. The company thereafter retains to a large extent the earnings made by it, to maintain and extend its business and accumulates a relatively large undistributed surplus.

"On the death of the owner, succession duties will be based on the value of the capital and undistributed surplus or earnings of the company. His heirs will find themselves unable to obtain the benefits of such undistributed surplus or earnings because the company cannot distribute except by way of dividends when income tax will absorb the greater part, amounting as it does to a maximum of 98% on dividends.

"The heirs may find that they are forced to sell the whole business as there is little market for the sale of a minority interest in a relatively small business. The most likely sale will be to a large corporation and if the business is established outside the larger centres this may in all probability mean its transfer to some other locality. If a sale cannot be arranged and bearing in mind that succession duties, both Dominion and Provincial are payable in cash within six months of the owner's death, the business will have to be broken up and sold piecemeal although the succession duties that must be paid on it were based on the value of the business as a successful going concern. In either case most of the employees will lose their positions and the locality will be vitally affected.

"In many cases it would mean the loss of an industry with thirty, forty, fifty or seventy-five employees. It is questionable whether municipal authorities realize the effect of loss of revenue which would result or of employees who will lose their employment if the business is closed or transferred to some other area.

"Another effect of this tax situation is that the owner of the business realizing these possibilities will refuse to risk the further expansion of his business and will instead invest his profits in liquid assets in order to place his estate in a position to meet his succession duties. Again the community is the loser.

VISIT TO THE WEST

"In company with Mr. W. G. Watson, Vice-President and General Manager, I visited the branch offices of Western Canada last Fall.

"At all of them, I was impressed with the capacity and efficiency of our branch managers and their staffs, with the valued aid of our local Advisory Boards. The members of these Boards are outstanding citizens of experience and ability who take a keen interest in the business of your Corporation, and have made a distinct contribution to its progress and standing; our Western branches enjoy an excellent reputation as capable Executors, Administrators and Trustees.

"I returned thoroughly convinced of the West's great destiny. The courage, faith and optimism of its people have been vindicated. In spite of formidable difficulties, and of some sections where fortune has not smiled, it has progressed, has consolidated its position, and stands on the threshold of the new "To-morrow". With other Canadian financial institutions we have made substantial contributions of capital towards western development because we believed in the building of Canada. And while the West has suffered severe setbacks from conditions beyond its control we in common with its people have never lost faith in its great future. The tide is coming in and we share their rejoicing to-day over the return of an important measure of prosperity.

"On the conclusion of war in the Far East, and the re-establishment of freedom of the seas in the Pacific, will come the rebuilding of China, an ancient people awakening to the march of modern civilization. The West, because of its geographical location, its resources and the ability of its people, will benefit in a special way in the new Pacific world. The great Port of Vancouver is destined to be one of the greatest on the Pacific.

"I commend to the public and our large clientele the efficient services we render through our Estates and Corporate Trust Departments. The need for the services of an experienced, stable and time-tested trust company has never been greater than in the uncertain and unpredictable times through which we are passing. 1944 will be a year of great change, but your Corporation embarks upon it with confidence and high hopes for its success during 1944 and the years which lie ahead."

GENERAL MANAGER

The General Manager, Mr. W. G. Watson, said in part:

"The 62nd Annual Report of the Corporation for the year ended December 31st 1943 will, I trust, be found satisfactory, recording as it does both progress and expansion.

RESULTS FOR 1943

"The Net Profits for the year, after providing for all office and other expenses including salaries, Directors' and Auditors' fees, advertising and other charges, and all realized or anticipated losses, are shown at $395,855, an increase of $86,207 over those of 1942. These profits, added to $548,452 brought forward from 1942, enabled your Directors to pay four quarterly dividends of 1% each—or 4% for the year for a total of $120,000—provide $110,000 for Federal, Provincial and Business taxes, being an increase of $15,000 in excess of the amount required in 1942, write $50,000 off Office Premises, appropriate $50,000 towards a Staff Retirement or Pension Fund and carry forward to the credit of Profit and Loss $614,307, increasing the Surplus by $65,855.

"The Balance Sheet for 1943 shows Total Assets under Administration for all accounts of $257,149,866, an increase of $6,575,928 over those of 1942.

"The Capital Section, comprising assets belonging wholly to the Corporation, is shown at $5,296,412, an increase over the 1942 figure of $106,110.

"The Guaranteed Section of the Balance Sheet, which contains funds held under our Guaranteed Investment Certificates and Savings on Deposit, shows a total of $17,226,302, an increase of $68,436 over 1942, being an increase of $158,812 in the amount held under Guaranteed Certificates and a decrease of $90,376 in Deposits, a modest decline, however, if we recall that in the two campaigns for Victory Loans held during the year $2,626,019 was withdrawn for bond purchases.

"The Trust Section, in which are incorporated Assets under Administration by the Corporation as Executor, Administrator, Trustee, Agent, etc., for a total of $234,627,150 as against $228,225,769 in 1942, or an increase of $6,401,381.

CAPITAL ACCOUNT

"In the Capital Section of the Balance Sheet you will observe that our office Premises at Toronto, Ottawa, Winnipeg, Calgary and Vancouver are carried at $1,550,000, or $50,000 less than last year. These buildings in their respective centres serve well the needs of the Corporation. The office space available for rental to the public is well occupied, resulting in a quite satisfactory return on this important asset.

"The Real Estate held for sale shown at $948,127 marks a decrease of $564,348 from the comparable figure of 1942. The average net earnings after taxes, insurance and other maintenance charges were also quite satisfactory.

"Mortgages and Sale Agreements held in the Capital Section are up $371,536 at $1,744,291 over last year, due not only to mortgages taken back on sale of properties but also to new mortgages negotiated.

"Dominion of Canada and Provinces of Canada Bonds, and loans on similar securities including Municipal Debentures have increased by $266,716 for a total of $409,956.

"Loans or advances to Trust Estates are approximately the same as last year and Cash in Banks and on Hand at $359,634 represents an increase of $48,547.

GUARANTEED TRUSTS ACCOUNT

"Coming now to the Guaranteed Section, mortgages at $9,219,689 are down by $1,408,773 with interest due and accrued at December 1943 less by $81,471. Dominion of Canada and Provinces of Canada Bonds have increased by $1,635,180 to a total of $4,179,894. Municipal Debentures at $1,583,493 are down by $80,471. Loans on Government Bonds and Municipal Debentures show an increase of $518,488 for a total of $751,906.

"Other Bonds and Stocks at $135,878 are approximately the same as last year and Loans on Bonds and Stocks at $182,920 are up $17,217.

"Cash in Chartered Banks and on Hand in this Section at $1,172,519 is less by $613,364.

DEBENTURES, BONDS AND STOCKS CARRIED BELOW MARKET VALUES

"Bonds of the Dominion of Canada and the Provinces, as also Municipal Debentures, other Bonds and Stocks, are carried on our books at figures well below the market value at December 31st 1943.

STRONG LIQUID POSITION

"Our liquid position in relation to Trust Deposits at 126%, as against 97% last year will, I am sure, be looked upon as highly satisfactory in the light of the continued war needs of the Government.

MORTGAGES AND REAL ESTATE

"With everybody at work in both East and West and money circulating freely, the year 1943 in so far as our City mortgages are concerned was, with the exception of several of the larger loans, marked by most satisfactory servicing, not only as to interest but also in principal repayments. As to our Western farm mortgage, 1943 was a banner year with repayment of principal and interest collections totalling over 24% of the average gross amount under investment during the year in farm mortgages and sale agreements.

"There was also a marked improvement in the demand for farm lands in 1943, accelerating as the months went by, with some increase in prices, especially for the better class properties. A few farms are being sold to city dwellers, some acquiring these for sons or brothers who are in the armed forces; more are finding their way into the hands of farmers whose own lands are free of encumbrance, or nearly so, and are now buying for their sons, many of whom are also overseas; but a still larger number of sales are being made to tenants who have done very well in recent years owing to higher prices and better crops and are anxious to become owners of the farms they operate while farm lands can be had at moderate prices.

"The demand for city properties, particularly dwelling houses, holds firm in the West as in the East. The sales of city properties, including farms, at Head Office and Branches for all accounts, Trust, Agency and our own for the year totalled $3,136,032, compared with $2,641,102 realized in 1942.

PROSPERITY IN THE WEST

"One cannot visit Western Canada these days and contact those who are giving leadership in the business, professional and educational areas, meet the occasional farmer in our offices throughout the Prairies, without sensing the new spirit of purpose and high endeavor that prevails, following the bleak and trying years of the Thirties which were endured by men and women alike with a courage and patience which should never be forgotten.

"Western Canada is coming into her kingdom again through better crops—yes, to some extent, but largely through better prices for wheat, coarse grains and other farm products. With the present initial price of wheat at $1.25 a bushel, the net to the farmer over that which prevailed with the initial price at .90c gives him an approximate increase of 50%, a modest enough increase, however, in the light of the higher wages and shortage of farm labor but nevertheless a heartening betterment, particularly over the .70c price which obtained as recently as July 1942.

"The improved conditions in Western Canada have resulted in a marked betterment in the farmer's position, enabling him to replenish at least some of his family needs—clothing, household supplies, and to a limited extent, farm equipment. He has also substantially reduced his indebtedness, including taxes, mortgage interest and principal. Many mortgages are being paid in full. In our own case approximately 10% of our Western farm mortgages were paid off and discharges executed during 1943.

"Our confidence in the goodwill and honesty of the Western farmer to meet his obligations when at all possible, our sympathetic approach to his problems throughout his difficult years and our policy in common with other mortgage lending institutions of reducing claims by adjustment or in granting bonuses for specific performance where the need existed, are being fully vindicated now in the hearty response of over 90% of our borrowers who are co-operating in every reasonable way towards reducing their indebtedness on mortgage account.

FARMER AN INDIVIDUALIST

"The Canadian farmer is an individualist who prefers reasonable freedom of action and if given fair prices for his products and some understanding of his problems on the part of those with whom he must deal, will carry on with loyalty, courage and contentment, knowing that farming, with all its hazards of wind and weather, has compensations beyond many other callings.

"Farming is still our basic industry and with the world a neighborhood in a far more intimate sense than ever before and its human needs recognized as never in the past, all our broad acres of arable or suitable farm land must shortly be brought under cultivation if millions of the human family are not to go hungry as in pre-war or earlier days.

PRESIDENT AND GENERAL MANAGER INSPECT WESTERN BRANCHES

"In a three weeks visit through Western Canada in October last I was personally delighted to have the company of our new President, Mr. McCrea. During the trip we spent several days reviewing each of our Branches, respectively located at Winnipeg, Regina, Saskatoon, Calgary and Vancouver.

"Mr. McCrea, in addresses which he was called upon to give to business and professional men in the several cities in which we are located from Winnipeg to Vancouver, interpreted for Westerners an understanding Easterner's conception of the great accomplishments of the West in sixty years, a period within the memory of many still living; prosperity and depression, ups and downs—yes, but a great accomplishment, with, however, a far greater future bound up with a united Canada in which both East and West would forever need the other.

"As a Corporation, we shared in the good years that the West enjoyed since 1899 and we likewise suffered losses in the years that were lean. Knowing Canada as a whole, including the potential wealth of her broad Western acres, her far North and Northwest mineral resources, the possibilities of her Pacific Coast and with a vision of her future in the international world, I am sure we do not regret our strategically placed Western Branches or our share in the development of this great Western area without which Canada would be poor indeed.

GROWING APPRECIATION OF TRUST SERVICES

"The new Estates, Trusts and Agencies business assumed by the Corporation during 1943 was exceeded in amount by only three other years in our history, when stock and real estate values were much higher than they are to-day and the great demand for Call Loans and other investments at remunerative rates uncovered for us large sums of Guaranteed and Agency funds for investment and management.

"This increase of business is but additional evidence of the growing demand in Canada for trust company service and an appreciation of the fact that our Corporation is keeping pace with the demands of the public for the highly technical and experienced services and advice required in connection with the many new problems which have emerged in recent times in estate planning and administration, while at the same time it is fully equipped to discharge satisfactorily the functions and duties which normally fall to an executor and trustee.

68% BELOW $50,000

"These services are available at moderate cost to all, whether the estate is large or small. In the several hundred estates which fell into our hands for administration in 1943, 68% of them were below $50,000 in value.

"The trust company or corporate trustee is increasingly recognized as the best instrument that has been devised by which one may pass on to his family or friends or to public or private charities, the material results of his life work in complete confidence as to permanence of office trained and experienced service, combined judgment and integrity. I am confident that the need for Trust Companies in Canada will continue to expand with the passing of the years.

PROSPECTS FOR RELIEF IN TAXATION

"While taxation is indeed grievous to-day in several directions—succession duties, excess profits and income taxes—necessitating most careful and experienced estate planning and sharply reducing in value many estates, we should be able to look forward to some progressive relief following an Allied victory in the present world struggle. We have wisely met a substantial portion of our war expenses by taxation and while it is true that the figures of our national debt will be colossal at the conclusion of the war in comparison with pre-war figures, it should be remembered that the interest rates are low when compared with the rates undertaken in the last war and will accrue in large measure to our own people. It should also be kept in mind that Provincial and Municipal debts across Canada have shown a marked reduction in volume between December 31st 1939 and December 31st 1942, the latest date to which information is as yet available; the Provincial obligations being down by $83,000,000 for a total of $2,088,400,000 and the Municipal debts showing a decrease of $189,200,000 at $1,039,400,000.

DEMOCRACY AND FREE ENTERPRISE

"In the light of Canada's future, provided we retain our democratic form of Government in which we have enjoyed freedom of enterprise and a way of life which in Anglo-Saxon countries has produced the highest standard of living to which humanity has yet attained, we shall not find our burden too heavy. Canada is young, her natural resources are vast and varied and her people rugged and unafraid. The progress that we have made in national income in peacetime can no doubt under wise leadership be accelerated in the future through our wider experiences in recent times in economic affairs and greater opportunities through discoveries in scientific and industrial areas.

"Employment must be found for all who are able and willing to work and to this end we should all address our best endeavors, not only to take on the boys who left their jobs for war services, as they return, but as far as possible find employment for those who took their places. Much that has needed to be done in recent years is wisely being left till the war is over. New enterprises for the further development of our national resources can be started, new industries begun which may call for the bringing in of those familiar with crafts now foreign to us, also immigrants for our vacant farm lands, the products of which should under international arrangements find markets. We can no longer expect, in a world that is now a neighborhood, to keep a country so wide in area and rich in raw materials to ourselves. We must open our doors now while we may exercise choice, or we shall find the opportunity lost, for the peoples of the world must be fed and the stewardship of our inheritance exercised.

STAFF PENSION PLAN

"I have pleasure in reporting that your Directors have seen fit to appropriate from the profits of 1943 the sum of $50,000 to apply in part toward the purchase of Retirement Annuities for eligible members of the staff of the Corporation. This action will, I know, be sincerely appreciated by all the Officers and staff at Head Office and Branches for whom this provision is now being made.

MEMBERS OF STAFF ON ACTIVE SERVICE

"The Corporation's staff continues its unremitting interest in our war effort. Ninety-three men and six women from the Head Office and Branch staffs are on active service, with representatives from among our men in the three Branches of the fighting forces; the young women having one or more of their number in each of the major women's war service units and scores of others taking an active part in furthering the interests of our national effort through local organizations providing comforts and necessities for all Branches of the service.

"It is with great regret that I have to report that four of our young men from Head Office have been killed in action, namely, Lieutenant Alan Walker, R.C.N.V.R., Pilot Officer Fred M. Carter, Flight Sergeant George A. McLean and Sergeant Pilot G. Edward Booth, all of the R.C.A.F., and that Flight Sergeant Russel Stanley, Head Office, has been reported missing, as also Pilot Officer Arthur B. Long of our Saskatoon Branch. Pilot Officer Howard M. Brown of our Regina Branch is a prisoner of war in Germany. To these gallant lads we pay our tribute to-day of pride and affection. We take this opportunity of extending our sincere sympathy to the families who have been bereaved and also to those who are undergoing anxious hours waiting further word of those who are reported missing.

STAFF

"In closing, I wish to express my sincere appreciation of the loyal and efficient services and co-operation of the Officers and members of the staffs at Head Office and Branches so whole-heartedly rendered throughout the year. As an indication of the turn-over in personnel since the outbreak of the war, I would like to point out that whereas at that time 58% of the staff was male, this percentage has since been reduced to 37%. While this change-over could not be effected without a great deal of extra work and responsibility on the part of the older and more experienced members of the staff, particularly since a very large percentage of the young women joining with us were just out of Business College, it is a credit to our Officers and senior members of the staff, and also to the intelligence and adaptability of the newcomers, that the character and output of our office work has been so well maintained."

Mr. Aubrey Davis, Vice-President, seconded the motion for the adoption of the Report and it was carried unanimously.

The Board of Directors was re-elected:—Messrs. Charles McCrea, K.C.; Aubrey Davis (Newmarket); William G. Watson; A. E. Phipps; Hon. A. C. Hardy (Brockville); Col. John F. Michie; Isaac Pitblado, K.C. (Winnipeg); Paul J. Myler (Hamilton); Hon. Albert Matthews; Charles S. MacInnes, C.M.G., K.C.; Alexander Fasken, K.C.; Charles S. Macdonald; Arnold C. Matthews; Arthur L. Bishop; Hon. G. Howard Ferguson, K.C.; W. Kaspar Fraser, K.C.; Walter C. Laidlaw; Brig. Gen. C. H. Maclaren, C.M.G., D.S.O. (Ottawa); Herbert Horsfall; Charles S. Band; Col. the Hon. Eric W. Hamber (Vancouver); D. E. Kilgour; C. Gordon Cockshutt (Brantford).

At a subsequent meeting, the Directors re-elected Mr. Charles McCrea, K.C., President; Mr. Aubrey Davis and Mr. William G. Watson, the General Manager, Vice-Presidents.

THE **TORONTO GENERAL TRUSTS** CORPORATION

HEAD OFFICE { 253 BAY ST.
TORONTO

BLOOR ST., TORONTO MONTREAL OTTAWA WINDSOR WINNIPEG REGINA SASKATOON CALGARY VANCOUVER

B. C. Revenue At Record High

Income Totals $39.9 Millions Compared With Estimated $33.1 Millions

From Our Own Correspondent

VANCOUVER.—Wartime revenues based on a general expansion of the province's basic industries are reflected in the financial reports of the Hart Coalition Government presented at the opening of the Legislature this month.

The Government's income reached an all-time high of $39.9 millions during the year ended March 31, 1943, compared with the estimated $33.1 millions. Projected expenditure for the period amounted to $33 millions, but actually $31.8 millions were spent. The surplus of $8.1 millions was by far the largest in the province's history.

Revenues in 1941-42 were $38.6 millions, expenditures $31.3 millions.

Financial Good Health

Because of this healthy state of finances, the Government was able to announce a constructive program to carry into postwar years, reduce auto license fees from $20 to about $15 a year, and give additional financial relief to municipalities regarding education.

The Government plans to confirm its gift of 1 million acres of farm land for soldier resettlement. It has a plan to offer for grubstaking prospectors. A public works program will be started as soon as men, equipment and materials are available. A road to the Peace River country—at a cost of about 6 millions, the money having already been set aside for the purpose—will be undertaken.

Help to Small Settlers

The Government also plans to free farm improvements from taxes. This affects the small settlers in unorganized districts. In many instances it will halve their tax bills. Complete exemption from taxes on lands and buildings of men serving in the armed forces during the period of such service has also been proposed by the Government. It is also proposed to remit, under special circumstances, the succession duties payable by the estate of a member of the forces who has lost his life as a result of the war.

1,000,000 BUBBLE BLITZ

Pin-point carbonation—millions of tinier bubbles—makes all the difference between "Sparkling Water" and other mixers . . . between good drinks, and flat ones.

IT'S ALKALINE Special ingredients give it a definitely alkaline reaction.

IT'S VITALIZED Pin-point carbonation gives it that million-bubble sparkle.

IT LIVENS FLAVOUR —It points up flavour—makes any drink taste better.

3 CONVENIENT SIZES

CANADA DRY'S Sparkling Water

THE WORLD'S LARGEST SELLING CLUB SODA

THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING FEBRUARY 7

Range 1944 High	Low	Div. R'te $	Feb.5 Y'ld %		Sales	Last Jan. 31	Week end. Feb. 7 H	L	Cl'se
3¼	2¼	.	...	Abitibi	5405	3	3¼	2¾	2¾
36¼	27½	.	...	Do. pref. 6%	6573	34½	35	31¾	32¼
75	57	.	...	Do. pref. 7%	15	75	64	64	64
6	5¼	.	...	Acme Glove, c.	80	6	6	6	6
113	112	7	6.2	Agnew Surp. p	15	112	113	113	113
10¼	9	.	...	Algoma Steel	250	9	9½	9	9
90	89	5	5.5	Do. pref.	245	90	90	90	90
100	96¼	5	5.2	Alum. of Can. p	340	97½	98	97¾	97¾
99	88	8+2	10.6	Aluminum	335	95	96¾	93	94
111½	110	6	5.4	Do. pref.	80	110	111½	111½	111½
22¾	21½	1.30	5.8	Asbestos	852	22	22¾	22¼	22¼
22¼	21½	1.50	6.9	Assoc. Brew.	175	21¾	21¾	21½	21½
133	133	6	4.5	Bk. Can. Nat.	7	133	133	133	133
157	150	6	3.9	Bk. Montreal	262	151	153	150	150
241	237½	10	4.2	Bk. N. Scotia	63	239	238	238	238
235	232	10	4.2	Bk. Toronto	17	232	235	233	233
15½	13¾	1	6.8	Bathurst Pr.	1710	15¼	15¾	14¾	15
3¾	2½	.	...	Do. (B)	531	3	3¾	3	3½
25½	21½	1*	...	Beatty Bros. A.	520	24	25½	24½	25½
10¼	8½	.	...	Beauharnois	122	9¼	9½	9½	9½
92	88	4+2	6.8	Belding Cort. c	3	92	88	88	88
157	152½	8	5.1	Bell Telephone	522	154½	157	154½	157
10	10	.	...	Blue Ribbon	50	10	10	10	10
45½	43½	2.50	5.5	Do. pref.	125	44½	45½	45	45
26¼	26¼	1.30	5	Brant. Cord. pf	165	26¼	26¼	26¼	26¼
24¼	21¾	1.75	...	Brazilian Tr.	4508	22¾	23¼	22¼	23
8	7	.50+.10	8	Brew & Distil.	86	7¾	8	7	7
22¾	21¼	1	4.6	Brit. Amer. Oil	1273	21½	21¾	21½	21½
24¼	21	1.50	6.2	B. C. Packers	322	24	24	23¼	24
24½	23	2	8.4	B. C. Power A.	360	23	23¾	23	23¾
8¾	8	.40	5	Bruck S. Mills	25	8	8	8	8
17	14	.60	3.5	Building Prod.	1375	16¾	17	16¾	17
9¾	9	.60	6.2	Burlington St'l	325	9¼	9¾	9¼	9¾
107	104½	6	5.6	Calgary Pwr. pf	15	104½	107	107	107
6¼	5	.10	...	Canada Bread	175	6	5¾	5	5¼
61	59	2.50	4.2	Do. pref. (B)	18	61	60	60	60
7¼	6½	.	...	Canada Cement	680	6½	7	6½	7
108	104	5	4.8	Do. pref.	185	104½	105	104	104½
20¼	19¾	.80	4	C. & D. Sugar	1045	20	20¼	20	20
22	20	1.50	7.5	Can. Forg. (A)	205	20	22	20	22
86	81	.	...	Can. Iron	10	85¼	86	86	86
91	90	6	6.6	Do. pref.	60	90	91	91	91
45	43¼	2+.50	5.6	Can. Malting	455	44	44½	44½	44½
9	7¼	.60	6.8	Can. Nor. Pr.	408	9	9	8¼	8¼
99	90	7	7.4	Do. pref.	160	94	94	93½	93½
96	90	4	4.2	Can. Packers	90	96	96	95	95
150	145	8	5.3	Can. Perman.	70	150	150	149	150
11¾	9¾	.50	...	Can. Steamsh's.	869	11¼	11¼	10¼	10¾
35	31¼	2.50	7.2	Do. pref.	515	34¾	35	34½	34¾
10	9	.40+.10	5	Can. Vinegars	25	9	10	10	10
67	65	4	6.1	Can. W. Cable	45	65	66	65¾	65¾
19	18¼	1	5.3	Do. (B)	15	18¾	19	19	19
5¼	5	.	...	Can. Bakeries	39	5¼	5	5	5
91½	91	5	5.4	Do. pref.	55	91	91½	91	91½
135	132	6	4.4	Can. Bk. Com.	84	134	135	134	135
6¼	5	.	...	Can. Breweries	3628	6	6¼	5¼	5¼
43¾	40¾	3.40	7.7	Do. pref.	265	43½	43¾	42½	43
34¼	32¾	1.00+.30	6	Can. Bronze, c.	65	34	34	34	34
107	106	5	4.7	Do. pref.	50	106	107	107	107
9	8¼	.50	5.6	Can. Canners	425	8¾	9	8¾	9
24	22¼	1+.20■	5.1	Do. 1st pfd.	50	23	24	23½	23½
13	12	.60+.20■	6.2	Do. 2nd pf.	380	13	13	12¾	13
9¼	8¼	.	...	Can. Car & F'y	2541	8¾	9½	8¾	9½
26	24¼	2.10	8.1	Do. pref. new	535	25½	25¾	25¼	25¾
38¾	35¾	1+1	5.2	Can. Celanese	915	37¾	38	37½	38
148	144	7+.94■	5.5	Do. pref.	80	144	144½	144	144
45½	36	2	4.4	Can. Converters	325	45½	45¼	44	44
17¼	15	1	...	Can. Dredge	250	17	16¾	16½	16½
30	24¾	2	6.8	Can. For. Inv.	60	29½	29½	29½	29½
5¾	5¼	.35*	...	Can. Ind. Alc.	910	5¼	5¾	5¼	5¼
5¼	5	.35*	...	Do. (B)	850	5¼	5¼	5¼	5¼
156½	152	5.25	...	Can. Indust. B.	70	152	154	152	152
34½	27	.	...	Can. Locomo.	775	33	32½	31	32
2.25	1.85	.04	...	Can. Marconi	450	2.00	2.12	2.00	2.12
135	133	8	6	Can. Oil pref.	35	135	135	133	133
11	10¼	.	...	Can. Pacific	6956	10¾	10¾	10¼	10¾
7	6	.	...	C. Pr & Pa In p	100	6¼	6¾	6¾	6¾
7	5	.	...	Can. Vickers	100	6¼	6¼	6¼	6¼
54½	40	.	...	Do. pref.	55	51	48½	48	48
3.10	3.00	.10	...	Capital Estates.	100	3.00	3.05	3.00	3.00
2	1½	..	...	Cassidy's	1000	1½	2	2	2
100	93	7	7	Do. pref.	58	..	100	93	93
12	11	.25	...	Catelli Food	13	11	11	11	11
14	13	.75	...	Do. pref.	5	13	14	14	14
.35	.17	.	...	Chem Research	500	.28	.24½	.24½	.24½
.15	.07	.	...	Claude Neon	300	.15	.15	.15	.15
1.68	1.50	.12	...	Coast Brew.	1420	1.68	1.64	1.55	1.55
12	11½	.50	...	Cockshutt Plow	305	11¾	12	11½	11¾
2¾	2½	.20	...	Com Alcohol c	3390	2¾	2¾	2½	2¾
5¼	5	.40*	...	Conduits Nat.	50	5	5¼	5¼	5¼
15½	15	.80	5.3	Cons. Bakeries.	125	15¼	15½	15¼	15¼
.20	.15	.	...	Cons. Div. Sec.	115	.15	.20	.20	.20
10	9½	.75	...	Do. pref.	1	10	9½	9½	9½
3¾	3¼	.	...	Cons. Fire Co.	300	..	3¾	3¾	3¾
6¾	5¼	.	...	Cons. Paper	24796	6¾	6¾	6½	6½
8	7	.40	...	Cons. Press	5	7	8	8	8
41¾	38½	1+1.50	6.1	Cons. Smelters	768	40	41	40	40½
[illegible]	128	8	6	Consumers' Gas	70	133	134½	133	133½
29	27¾	2	7	Consum. Glass.	200	28½	28½	28½	28½
91	86	7+7▲	8	Corr. P. Box, p.	130	90	91	90	90
23	21½	1.20+.15	6	Cosmos Imp.	455	23	23	23	23
30	28	2	6.7	Crown Cork	25	30	30	30	30
35	34	3	8.8	Crow's N. Coal.	40	34	34	34	34
5¾	5	.	...	Dairy Corp. c.	176	5¼	5	5	5
2	1½	.	...	David & Fre. B	6	2	2	2	2
[illegible]	34½	2.22	6.2	Distill-Seagram	326	36¼	36	35	35
[illegible]	108½	5	4.6	Do. pref.	170	109¾	109	108¾	108¾
[illegible]	155	8	5	Dom. Bank	89	162	160	155	155
[illegible]	23¾	1.20	4.5	Dom. Bridge	415	25¾	26	25¼	25½
[illegible]	13	1.88▲	..	Dom. Coal, pf.	255	13¾	14	14	14
[illegible]	24	2	...	Dom. Engineer.	90	26	26	26	26
[illegible]	22	.10+.35	6½	Dom. Found.	770	22	22¾	22¼	22¼
[illegible]	117½	5	4.3	Dom. Glass	75	118	117½	117½	117½
[illegible]	150	7	4.4	Do. pref.	10	150	159	159	159
[illegible]	22	1.10+.35	6½	Dom. Oilcloth	215	28½	28½	28½	28½
[illegible]	3¼	.	...	Dom. Square	173	3¼	3¼	3¼	3¼
[illegible]	6¼	.	...	Dom. St. & C.B.	2059	7¾	8	7½	7½
[illegible]	9¼	.40	...	Dom. Stores	1408	9¾	11	9¾	11
[illegible]	7¾	.	...	Dom. Tar & Ch	120	8¼	8½	8¼	8¼
[illegible]	105	5.50	5.2	Do. pref.	165	105	106	105	106
[illegible]	71½	5	6.8	Dom. Textile	190	73	73	72	73
[illegible]	156	7	4.5	Do. pref.	12	156	156	156	156
[illegible]	3½	.	...	Dom. Woollens.	150	4¼	4¼	4	4
[illegible]	11	.60	4.4	Do. pref.	300	13¼	13¾	13¼	13½
[illegible]	7¼	.	...	Donnacona P.	4340	7½	7¾	7½	7¾
[illegible]	7¼	.	...	Dryden Paper	350	7½	7¾	7½	7¾
[illegible]	32	.	...	East Dairies, pf	120	33	34	33¾	33¾
[illegible]	13	1	6.9	East Steel	85	14	15	14½	14½
[illegible]	8¾	.25	...	Easy Washing.	52	9	8¾	8¾	8¾
[illegible]	9¼	.	...	Electrolux	100	9½	9½	9½	9½
[illegible]	4¾	.	...	Enam. & Heat.	75	5	5	5	5
[illegible]	19¾	1.37	...	English Electric	100	22	22	22	22
[illegible]	6	.15	...	Equitable Life.	25	6	6	6	6
[illegible]	28½	1.50+.25	6	Fanny Farmer	415	29	29	27¾	29
[illegible]	4	.	...	Federal Grain	662	4¾	4½	4¼	4½
[illegible]	77	2	...	Do. pref.	71	80	82	79	81

Range 1944 High	Low	Div. R'te $	Feb.5 Y'ld %		Sales	Last Jan. 31	Week end. Feb. 7 H	L	Cl'se
4¼	3¼	.25	...	Fleet Aircraft	1280	3¾	3¾	3½	3½
25	23¼	1	4.2	Ford Motor A.	2830	23¾	24	23½	24
.40	.25	.	...	For. Pr. Secs.	5	.25	.25	.25	.25
16	15	1.40	8.7	Foundation Co.	100	15½	16	16	16
22	19	.	...	Fraser Cos.	485	19	22	21½	21¾
22¼	19	.	...	Do. Vot. Tr.	6883	20¼	22¼	21	21¼
82¼	82¼	6	7.3	Freiman, pref.	1	81	82¼	82¼	82¼
9¼	8¾	.80	8.9	Gatineau Pwr.	140	9¼	9¼	9	9
90	84	5	5.8	Do. pref.	70	86½	86½	84¼	86
95	92	5.50	5.8	Do. 5½% pref.	75	95	95	93	94¾
12¾	11¼	.50	...	Gen. St. Wares	670	12	12	11¼	11¾
110	108	7+.63■	7	Do. pref.	76	109	109	108¾	109
90	86	2.50+2	..	Goodyear Tire	50	86	86	86	86
56¼	54½	2.50	4.5	Do. pref.	50	54½	55	54½	54½
5¾	5	.	...	Gt. Lakes Pap.	100	5	5¼	5¼	5¼
24	19½	1.50	...	Do. pref.	235	22½	22	21½	22
6½	5	.	...	Do. Vot. tr. c.	82	5¼	5¼	5	5
22¾	20½	1.50	...	Do. Vot. tr. p.	42	22	22	21	21¾
6¼	5¾	.	...	Gt. W. Saddlery	115	6	6¼	5¾	6¼
8	7¼	.	...	Gurd, Chas. c.	50	8	7¼	7¾	7¾
7¼	6¾	.	...	Gypsum, Lime.	611	6¾	7	6¾	6¾
6¼	5½	.	...	Ham. Bridge	105	5¾	5¾	5½	5½
3¾	2¾	.	...	Ham. U. Theat.	123	3¼	3¾	3	3¾
5¼	4¾	.20	3.9	Harding Carpet	200	5	5¼	5¼	5¼
15¾	15½	1	6.3	Hinde & Dauch	175	15¾	15¾	15¾	15¾
16¼	13½	.	...	H. Smith Pap.	4600	14	16¼	14¾	15¼
108	107½	6	5.6	Do. pref.	2	108	108	108	108
11¼	11	.50	...	Hunts (B)	40	11	11	11	11
75	72	4	5.3	Huron & E. Mt.	20	72	75	74	75
4	3¾	.	...	Hydro Electric.	150	3¾	3¾	3¾	3¾
166	161	8	4.8	Imperial Bank.	22	164½	166	165	165½
14¾	13½	.50	3.6	Imperial Oil	2831	14	14	13¾	13¾
11¾	10¼	.40+.15	5	Imperial Tob.	1821	11¼	11¾	11¼	11¾
7¼	7	6%	...	Do. pref.	5860	7¼	7¼	7	7¾
24	22	.50	...	Indust Accept c	300	23½	24	23	23
14	12	.80	5.7	Inter. Bronze	75	13¾	14	14	14
23	21½	1.50	6.5	Do. pref.	225	23	23	22½	23
19	15	.25	...	Int. Metal Ind.	1290	17½	19	18	19
102¼	99	6	5.9	Do. pref.	30	100¼	102¼	101	101¼
31	29¼	1.60	5.4	Int. Nickel	5066	30¼	30¾	29½	29½
15¾	15	.	...	Int. Pap. & P. c	2075	15¾	15½	15	15
23½	20¾	1	4.7	Int. Pete.	2695	21¼	22¼	21¼	21¼
27¾	20	.	...	Int. Power	1145	27½	27¾	25¼	26¼
112	111	7+5▲	6.2	Do. pref.	83	112	112	112	112
24	22	.	...	Int. Util. (A)	25	23	22½	22½	22½
.35	.20	.	...	Do. (B)	2000	.25	.25	.25	.25
2¾	2¾	.25	...	Invest. Found c	90	2	2¾	2¾	2¾
105	104	7	6.7	Jam Pub Ser p	2	105	104	104	104
7¼	6¼	.	...	John Inglis	100	7¼	7¼	7¼	7¼
14¾	14½	.	...	Kelvinator	50	14¾	14¾	14½	14½
18	16½	.	...	L. St. John Pr.	220	16½	18	17	18
137	135	7	5.1	L. of Woods p.	15	135	137	137	137
70	60	4	5.7	Landed Bank	79	70	70	61	70
16	13	.70+.30	6	Lang, J. A.	1125	14	16	14¼	16
21	20	3	...	Langley's, pref.	20	21	20	20	20
14¼	13½	.80	5.7	Laura Secord	575	14	14¼	13¾	14¼
8	8	.	...	Lindsay, C. W.	13	8	8	8	8
23¾	22¼	1+.25	5.4	Loblaw (A)	455	23¾	23½	23	23¼
22¼	22¼	1+.25	5.6	Do. (B)	70	22¼	22¼	22¼	22¾
20½	18	1	4.9	Maclaren Pr.	1115	19¾	20½	19	20¼
7	6¼	.	...	Maple Leaf M.	220	6½	6½	6½	6½
15	14½	.	...	Do. pref.	105	14½	14½	14½	14½
16	16	.70	4.4	Maritime Tele c	136	16	16	16	16
9¼	7¾	.	...	Massey-Harris	4805	8¼	8¾	7¾	8¼
21	19¾	1.25	6.2	Do. pref.	1720	20¾	20¾	20	20¼
8¼	8	.15	...	McColl Fron. c.	183	8	8¼	8	8
2	1½	.	...	Melchers	80	2	1½	1½	1½
8	7¼	.60	7.5	Do. pref.	225	7½	8	8	8
17¾	16	2	...	Mitchell, Robt.	110	16½	16¾	16½	16½
127½	126	7	5.5	Montreal Cot. p	7	127	127½	126¾	126¾
22¼	19	1.50	6.8	Mont. L. & Pr.	6565	22	22¼	21½	21¾
50¼	50	3%	...	Do. Notes	24	50¼	50½	50¼	50¼
1.25	1.25	.	...	Mtl. Refrig & S	15	1.25	1.25	1.25	1.25
26	26	1.25	...	Do. pref.	15	26	26	26	26
35	35	*1.82	..	Montreal Tele.	415	35	35	35	35
24	23	.	...	Montreal Trams	110	23	23½	23	23
49½	46½	2.22+.66½	6	Moore Corp.	925	49	49½	49	49½
2.00	1.70	.	...	Muirheads, c	597	1.75	1.75	1.75	1.75
34½	33	2	5.8	Nat. Brewer. c.	280	34½	34½	34	34
10¾	9½	.40	...	Nat. Grocers	925	10¼	10¾	10¼	10¾
28¼	27¾	1.50	5.4	Do. pref.	60	28	28	27¾	27¾
19¾	18	.	...	N. Sew. Pipe A	145	19¼	19¾	19¼	19¾
15½	13¾	1	6.6	Nat. Steel Car.	1831	15¼	15¾	15	15½
17	15½	1	5.9	Niag. W. Weav.	170	17	17	17	17
5	4	..	...	Noorduyn Av.	375	5	4¾	4¾	4¾
4¾	4½	.35	7.4	North St. Oil p	25	4¾	4¾	4¾	4¾
25½	23¾	1	4	Oglivie Flour, c	505	25½	25¾	25	25
161	161	7	4.3	Do. pref.	75	160	161	161	161
14	13	1	7.4	Ont. Steel c	50	13½	13½	13½	13½
4	3¾	.	...	Orange Crush.	40	3¾	4	3¾	4
7½	6¾	.	...	Do. pref.	485	7¼	7¼	7¾	7¼
5	4¾	.	...	Ott. Car Air	195	4½	4½	4¾	4½
25	20	2+.20	9	Ottawa El. Rly.	168	24½	25	24	25
8	7	.60	7.5	Ott. L. H. & Pr.	90	8	8	8	8
98½	96	5	5.2	Page Hersey	65	97	97	96	96
52	50	3	5.8	Penmans	25	52	52	52	52
130½	126½	6	4.6	Do. pref.	14	127	130½	130	130½
4¾	4¾	.25*	...	People's Cr. Sec	25	4¾	4¾	4¾	4¾
17	13¾	.75	...	Photo Eng.	15	17	16	16	16
7½	6¼	.	...	Power Corp.	600	7¼	7¼	7	7
95	90	6	6.3	Do. pref.	40	95	95	94½	95
38	36	3	8.1	Do. 2nd pref.	110	37	37	36	36
7½	6¾	.50	...	Pressed Metals.	325	7	7½	7¼	7¼
23¼	19	.	...	Price Bros.	8290	22¼	23¼	22¾	23
95	93	5.50	5.8	Do. pref.	531	95	95	95	95
7½	7	.40	5.7	Prov. Transport	725	7¼	7½	7	7¼
14	12¼	1	7.2	Quebec Power	205	12¼	14	13½	14
8¼	8	.75	...	Regent Knit	25	8	8¼	8¼	8¼
22	21	1.60	7.2	Do. pref.	10	21	22	22	22
22½	12	.	...	Reliance Gr. c.	400	19½	22	20	22
24	23	2	8.3	River S. Mill.	100	24	24	24	24
138	134¼	6	4.3	Royal Bank	78	135	138	136	138
20	20	.80	4	Russell Indust.	10	20	20	20	20
200	199	7	3.5	Do. pref.	68	200	200	199	200
5¼	5¼	.50+.15	..	Sarnia Br.	36	5¼	5¼	5¼	5¼
16¼	15	.90	5.8	Shawinigan Pr.	1738	15¾	15¾	15¼	15½
128	128	7	5.4	Sher. Wms. pf.	7	128	128	128	128
11	10	.40	4	Silverwoods	5	10	10	10	10
9½	8¾	.40	4.6	Do. pref.	10	9½	8¾	8¾	8¾
28½	25	.	...	Simpson, A.	50	27	28½	28½	28½
16¼	13	.	...	Do. (B)	70	16	16¼	16	16¼
110	105¾	6.50+2▲	6	Do. pref.	85	109	109	108	108
22	20¾	1.20	5.5	Slater, N.	130	21½	21¾	21½	21¾
11	10	.80	7.3	So. Can. Pr.	245	10	11	10	10
105¼	104½	6	5.7	Do. pref.	70	105	105¼	105	105
3½	2¾	.	...	St. Law. Corp.	1285	3¼	3¼	3¼	3¼
15½	13¾	1	6.8	Do. (A)	1355	14¾	15	14¾	14¾
53	46¾	3	5.7	St. Law. Pap. p	325	51	53	52	52
19	19	.	...	Stand. Chem.	105	19	19	19	19
5¾	4	.	...	Stand. Clay	49	4	5¾	4¼	5¼
6	5¼	.40	6.7	Stand. Radio	540	5¾	6	6	6
65	63	3	4.7	Steel of Canada	260	63	64½	63	63
71	69	3	4.3	Do. pref.	145	70	70	70	70
3½	3	.	...	Supersilk H. A.	80	3	3¼	3¼	3¼
83½	83½	5	6	Do. pref.	10	83½	83½	83½	83½
16	15	.80	5.2	Tamblyn, c	115	15¾	15¼	15	15¼

Range 1944 High	Low	Div. R'te $	Feb.5 Y'ld %		Sales	Last Jan. 31	Week end. Feb. 7 H	L	Cl'se
11	8¼	.30	...	Tip Top Tailors	225	10¼	10¾	10	10
12	10	.25	...	Tooke Bros.	229	11	12	11	11¾
53	52¼	2.62½	5	Tor. Elevators p	5	53	53	53	53
90	85	4	4.5	Tor. Gen. Tr.	8	85	89½	89½	89½
85	80	5	5.9	Tor. Mtge.	25	84	85	85	85
14	14	.	...	Traders Fin. B.	21	8	14	14	14
91	88¾	6	6.6	Do. pref.	12	91	91	91	91
15¼	12¼	1	6.4	Do. A Rights.	46	15½	15¼	15¼	15½
15¼	15¼	1	6.4	Do. B Rights.	34	9¼	15¼	15¼	15¼
7	6¾	.	...	Union Gas	700	6¾	6¾	6¾	6¾
15	12	.30	...	United Corp. B	2614	14¼	15	14	15
2¾	2¼	.10	...	United Distill	125	2¼	2¾	2¾	2¾
38	32¼	3	7.9	United Fuel, pf	391	34½	38	35	37
5¼	5	.	...	Do. B pref.	170	5	5¼	5	5¼
17	16	1	5.9	United Grain A	44	16¼	17	17	17
4¾	3¾	.10+.05†	...	United Steel	585	4	4	3¾	4
85	78	5	5.9	Viau Bisc., pf.	5	80¼	85	85	85
61	57½	4	6.9	Walker-Good.	550	58½	59	57½	58¾
21¾	20¼	1	4.7	Do. pref.	610	21¼	21¾	21	21
1.85	1.75	.05	...	Walkerville Br.	500	1.85	1.85	1.85	1.85
59½	59½	2.50+1	6	Wellington Fire	25	59½	59½	59½	59½
5¾	4¼	.	...	West C. Flour.	55	4¾	4½	4½	4½
82	75	.	...	Do. pref.	195	80	81	80	80
85	79½	3+2	5.9	West Grocers, c	70	84½	85	84½	85
13	12	.75	...	Western Steel.	25	12½	13	12½	12½
16	15¼	.80	5	Weston, George	460	15¾	16	15¾	16
107	105	5	4.8	Do. pref.	25	105	105	105	105
18	17¼	1	5.7	Wilsils	75	18	18	17½	18
7¾	6¼	.	...	Winnipeg El.	3120	7	7	6½	6¾
69	60¾	.	...	Do. pref.	1395	66	69	63¼	64
120	115	.	...	Woods Mfg. pf.	236	118	118	118	118
7¼	6¼	.40	5.7	York Knitting	1258	7	7¼	7¼	7¼
19	18¼	.80+.20	5	Zellers	200	18¾	19	18¼	19
27½	27	1.50	5.4	Do. pref.	2	27½	27½	27½	27½

■ Participating. * Paid in 1943.

▲ On arrears. † Initial.

* Net after corporate income tax.
| 21 | 21 | . | ... | Thrift Stores, p | 10 | 21 | 21 | 21 | 21 |

Mining Stocks

Week Ending February 7

Range 1944 High	Low	Div. Rate $	Feb. 7 Yield %	Company	Sales	Last Jan 31	Week Ending Feb. 7 High	Low	Close
.18	.12	.....	....	Aldermac	10,800	.15	.16	.15	.16
6.50	6.00	.20	....	Anglo-Hur.	1,106	6.10	6.25	6.00	6.00
.62	.55	.....	....	Acquarius	12,200	.54	.62	.58	.62
.18	.12	.....	....	Arjon Gold	39,100	.15	.16	.12	.14
.52	.42	.....	....	Armistice	38,400	.48	.51	.46	.46
.03½	.01	.....	....	Arno	13,600	.03	.03½	.03¼	.03¼
.09	.03	.....	....	Ashley	2,700	.07¼	.06½	.06	.06
.14½	.08½	.....	....	Astoria Que	413,800	.10	.14½	.10	.13¾
4.15	3.20	†.18	....	Aunor Gold	7,850	3.90	3.90	3.70	3.75
.21	.11½	.....	....	Bagamac	86,975	.16½	.21	.16½	.19
.16	.13	.....	....	Bankfield	5,975	.15	.15	.13	.14
.11	.10	.....	....	Base Metals	3,500	.10½	.10¼	.10½	.10½
.04¾	.04	.....	....	Bayonne	5,000	.04¼	.04¼	.04¼	.04¼
.59½	.36	.....	....	Bear Expl.	111,990	.51	.59½	.48	.57
2.45	1.75	†.04	....	Beattie Gold	54,350	2.30	2.40	2.15	2.20
.09	.06	.....	....	Beaufor	1,600	.08	.09	.08	.08
1.00	.80	†.06	....	Berens River	2,500	.95	.96	.95	.96
.67	.37	.....	....	Bidgood	163,840	.60	.60½	.52	.56
.10½	.08½	.....	....	Bobjo	6,500	.10	.09¾	.09	.09
.24	.20	.....	....	Bonetal	9,409	.22½	.22½	.21	.21
.11	.03	.....	....	Bouscadillac	21,300	.09¾	.11	.09	.09
12.00	11.25	1.20	*10.3	Bralorne	2,500	11.87	12.00	11.00	11.63
.93	.80	.09	....	Broulan	33,475	.84	.85	.77	.78
4.35	3.55	†.10	....	Buffalo Ank	1,370	4.00	4.20	4.00	4.00
.09¾	.07	.....	....	Buff. Can.	42,680	.08	.09	.07	.08¼
15.75	15.00	.....	....	Bulolo Gold	315	15.75	15.63	15.63	15.63
.04	.02½	.....	....	Bunker Hill	6,000	.03½	.04	.03½	.03½
.82	.65	.04	....	Can. Mal.	2,400	.70	.71½	.70	.70
1.90	1.63	.....	....	Cariboo	1,400	1.75	1.75	1.70	1.70
.05	.02½	.....	....	Cartier Mal	14,000	.05	.05	.04½	.05
1.15	.95	.....	....	Castle Tre.	8,000	1.10	1.15	.95	.95
.05	.02	.....	....	Cen. Cad.	7,000	.04¾	.04½	.04	.04
1.92	1.62	.12	6.4	Cen. Pat.	6,100	1.89	1.92	1.80	1.86
.13	.08½	.....	....	Cen. Por.	11,425	.12	.12½	.12	.12½
.12	.07	.....	....	Century	2,000	.10	.11	.09¾	.11
1.72	1.30	†.03	....	Chesterville	99,426	1.47	1.72	1.40	1.59
1.60	1.25	.....	....	Chromium	202	1.50	1.50	1.50	1.50
1.40	1.05	.....	....	Coast Cop.	300	1.40	1.40	1.35	1.35
2.06	1.82	.12	....	Cochenour	17,340	2.02	2.02	1.91	1.95
.24	.15½	.....	....	Coin Lake	40,250	.22½	.23	.20½	.21
1.42	1.25	.....	....	Coniagas	200	1.40	1.35	1.35	1.35
1.70	1.51	.10	....	Coniaurum	15,479	1.61	1.65	1.56	1.59
1.00	.60	†.03	....	Delnite	2,400	.99	1.00	.95	.95
.04	.02½	.....	....	Denison	1,500	.03¼	.03¼	.02¾	.03
29.87	27.00	1.60	5.9	Dome Mines	665	28.00	28.00	27.00	27.00
.14½	.09	.....	....	Duquesne	11,500	.14	.14	.12	.12
2.00	1.66	.....	....	East Mal.	17,225	1.94	1.95	1.82	1.87
3.90	3.30	.15	....	Falconbridge	850	3.60	3.75	3.30	3.50
.07	.04¼	.....	....	Federal	7,500	.06	.06¼	.05¼	.06
.02	.02	.....	....	Flin Flon	1,300	.02½	.02	.02	.02
.70	.45	.....	....	Forty-Four	316	.65	.70	.60	.60
.46	.33	.....	....	Francoeur	17,213	.40	.41	.40	.40
.07½	.05	.....	....	Gillies Lake	6,500	.06	.06	.05¾	.06
.05	.03¾	.....	....	Glenora	10,500	.04¾	.05	.04½	.05
.22½	.18	.....	....	God's Lake	11,325	.20½	.20½	.19	.19
.18¾	.15	.02	....	Goldale	4,000	.18	.18	.17	.17
.25	.20	.....	....	Gold Belt	1,700	.25	.25	.23	.25
.05	.02½	.....	....	Gold Eagle	19,000	.04¾	.04¾	.04¼	.04¼
.15	.09½	.....	....	Golden Gate	40,800	.13½	.14½	.12	.13
.05	.01½	.....	....	Goodfish	2,000	.02½	.02¾	.02½	.02¾
.05½	.03	.....	....	Graham	27,300	.03¾	.05½	.04¼	.05
.07½	.06¼	.....	....	Grandora	1,500	.07½	.07½	.07	.07½
.11	.11	†.01	....	Grandview	2,000	.11	.11	.11	.11
.04	.02½	.....	....	Grull W.	25,000	.04	.03¼	.03½	.03½
.20	.17	.....	....	Gunnar G.	5,700	.19	.19	.17½	.17½
.09½	.06	.....	....	Halcrow	5,000	.07½	.08	.06½	.08
.04¼	.02¾	.....	....	Halliwell G.	20,600	.03¾	.03¾	.03¾	.03½
3.85	3.50	†.35	....	Hallnor	500	3.65	3.75	3.75	3.75
1.29	1.06	†.03	....	Hard Rock	24,150	1.22	1.17	1.10	1.13
.05½	.03	.....	....	Harker	3,000	.05	.04¾	.04½	.04¾
.60	.37	.....	....	Hasaga	43,037	.59	.60	.53	.60
.50	.38	.....	....	Hedley M.	11,100	.44	.50	.44	.44
12.50	11.25	.65	5.6	Hollinger	1,850	11.50	11.75	11.37	11.63
.00¾	.00½	.....	....	Home Gold	19,000	.00½	.00½	.00½	.00¾
.33	.27	†.01	....	Howey Gold	6,898	.30	.30	.27½	.27½
30.50	28.50	2.00	7	Hudson Bay	565	29.37	29.75	28.50	28.50
.62	.54½	.02	....	Inspiration	6,250	.59	.60	.54½	.54½
1.10	.99	†.07½	....	Island	400	1.10	1.10	1.00	1.00
.06¼	.02½	.....	....	Jacola	2,100	.05	.04½	.03	.04½
.06	.05	.....	....	Jack Waite	14,500	.05½	.06	.05	.06
.36	.23	.....	....	Jason Mines	13,440	.34½	.35	.32	.32
.07½	.05½	.....	....	Jellicoe	10,000	.06¼	.06½	.06	.06
.04	.01	.....	....	J. M. Cons.	28,500	.03¾	.03¾	.03	.03¼
.14	.03	.....	....	Joliet Que.	32,200	.10	.10½	.09	.09¼
10.00	9.05	.35	....	K. Addison	14,190	9.95	10.00	9.40	9.40
.50	.20	.....	....	Kirk. H. Bay	2,400	.40	.41	.40	.40
.50	.20	.....	....	Kirk. H. Bay	2,400	.40	.41	.40	.40
1.17	.90	†.04	....	Kirkland L.	123,780	1.07	1.17	1.05	1.10
.37	.33	.....	....	Kootenay B	5,200	.36	.36	.35	.35
.95	.80	.02	....	L. Dufault.	800	.80	.85	.81	.85
17.75	14.12	.80	.. 5	Lake Shore.	960	16.12	16.37	15.75	15.75
6.45	5.95	†.45	....	Lamaque G.	2,505	6.45	6.35	6.25	6.30
.11¼	.06¼	.....	....	Lapa Cad.	15,850	.09	.10	.08¼	.08½

Montreal and Toronto

Week ending Monday close

Winnipeg and Vancouver

Week ending Saturday close

Week Ending February 7

Range 1944 High	Low	Div. Rate $	Feb. 7 Yield %	Company	Sales	Last Jan. 31	Week Ending Feb. 7 High	Low	Close
.06½	.02	.....	....	Lebel Oro	14,800	.04¾	.04½	.04	.04¼
1.27	1.15	.08	6.8	Leitch Gold	20,525	1.22	1.23	1.15	1.19
1.24	.90	.04	....	Little L.L.	8,600	1.13	1.15	1.05	1.07
3.95	3.40	.24	6.4	Macassa	13,675	3.75	3.95	3.65	3.80
2.55	2.30	.05	....	MacLeod C.	16,033	2.45	2.45	2.31	2.35
2.04	1.60	.06	....	Mad. R.L.	93,750	1.87	2.04	1.86	1.98
3.75	3.35	.....	....	Malartic G.	31,095	3.65	3.65	3.55	3.60
.03	.01½	.....	....	Man. & East.	18,000	.02¼	.02½	.02	.02
.08	.03	.....	....	Maralgo	2,225	.06	.06½	.05	.06½
.20	.20	†.02	....	McG'vy C.	1,000	.20	.20	.20	.20
61.00	57.50	3.33	*5.6	McIntyre	395	59.00	59.75	58.50	58.50
1.56	1.40	†.11	....	McK. R.L.	21,500	1.47	1.51	1.41	1.45
.05½	.03¼	.....	....	McLellan G.	32,000	.04¾	.05	.04½	.05
.10½	.07	.....	....	McV. Grah.	10,600	.09	.10½	.08¾	.09½
.24	.18	.....	....	McWatters	9,200	.22	.22½	.20	.20
2.15	1.85	.....	....	Mining Corp.	5,360	1.98	2.00	1.95	1.95
.02¾	.02	.....	....	Minto Gold	8,500	.02½	.02½	.02½	.02½
.44	.36	.02	....	Moneta	21,050	.40	.43	.39	.41
.69	.59½	.05	....	Negus Mines	3,500	.65	.65	.63	.65
2.80	1.89	.10	....	Nipissing	20,115	2.80	2.80	2.65	2.65
51.50	48.12	4.00	7.9	Noranda	1,750	50.75	51.25	50.25	50.25
.69	.55	.....	....	Nor. Canada	11,800	.61	.69	.60	.62
.14	.04¼	.....	....	Norgold	21,900	.13½	.13	.11½	.12½
.87	.75	.....	....	Normetals	4,530	.78	.78	.75	.77
1.74	1.37	.04	....	O'Brien	42,825	1.70	1.74	1.55	1.58
.52	.26	.....	....	Omega	342,024	.51	.53	.26	.32
.49	.15	.....	....	Osisko	10,000	.26	.30	.26	.30
.05½	.05½	.....	....	Pac. Nickel	125	.....	.05½	.05½	.05½
1.45	1.29	.05	....	Pamour P.	5,850	1.35	1.39	1.30	1.35
.10	.06	.....	....	Pandora	23,500	.09	.10	.08½	.08½
.07½	.03½	.....	....	Partanen	38,500	.05½	.06½	.05½	.05¼
3.50	3.40	.30	....	Pato Cons. G.	100	3.40	3.50	3.50	3.50
.43	.28	.01	....	Paymaster	58,800	.38½	.39½	.34	.36
1.72	1.40	†.06	....	Pend Oreille	1,550	1.58	1.56	1.40	1.40
1.15	.98	†.10	....	Perron Gold	13,670	1.03	1.03	.98	1.01
2.26	1.84	.10	....	Pickle Crow	5,397	2.23	2.25	2.12	2.14
2.45	2.25	.....	....	Pioneer G.	1,600	2.36	2.41	2.35	2.41
11.25	11.25	.50	....	Placer Dev.	100	11.25	11.25	11.25	11.25
1.53	1.26	.04	....	Powell R.	19,650	1.50	1.50	1.40	1.45
1.46	1.25	.....	....	Do. Vot. tr.	8,800	1.46	1.46	1.30	1.37¾
.04¼	.03½	.....	....	Prem. Bord.	31,737	.04	.04¼	.03½	.04
1.10	.90	†.06	....	Premier G.	6,850	.96	1.00	.97	1.00
2.75	2.32	.20	7.5	Preston E.	14,610	2.67	2.70	2.60	2.65
.39½	.35	.01	....	Privateer	2,400	.39	.39½	.39	.39
9.50	9.00	.05	....	Proprietary	715	9.25	9.45	9.00	9.00
.02¾	.02½	.....	....	Quatsino	4,000	.02½	.02¾	.02½	.02½
1.25	.75	.....	....	Queenston G.	88,439	1.16	1.25	1.08	1.10
.63	.06	.....	....	Quemont	57,705	.41	.44	.38	.43½
.36	.35	.....	....	Rand Mal.	1,500	.36	.35	.35	.35
.09	.04	.....	....	Red Crest	2,300	.08½	.09	.08	.08
.35	.20	.....	....	Reeves McD.	2,350	.35	.30	.30	.30
.06	.04½	†.07	....	Reno Gold	16,500	.05	.06	.05½	.05½
.11	.08¼	.....	....	Roche L.E.	8,300	.09½	.10	.08½	.09
3.95	3.50	.20	*5.3	San Antonio	7,408	3.90	3.95	3.75	3.75
.07	.05	.....	....	Sand River	1,000	.05¼	.05¼	.05	.05
.50	.43½	†.03	....	Senator R.	14,000	.46	.47	.44	.44
.06	.02½	.....	....	Shawkey	11,500	.05	.05	.04	.05
1.06	.90	†.15	....	Sheep Creek	9,600	1.03	1.06	1.00	1.01
.79	.71	.06	....	Sherritt G.	11,043	.74	.75	.72	.75
9.50	8.75	.60	6.8	Sigma Mines	388	9.00	9.25	8.80	8.95
.80	.70	†.13	....	Silbak Prem.	8	.75	.70	.70	.70
.66	.48	.01½	....	Siscoe	62,850	.59	.60	.48	.49
.77	.65	.....	....	Sladen Mal.	49,560	.68	.71	.67	.68
.80	.65	.....	....	Spring Stur.	31,100	.70	.80	.72	.74
.05	.03	.....	....	St. Anthony	3,000	.04	.04½	.03½	.04
2.29	2.04	.....	....	Steep Rock.	26,056	2.25	2.27	2.21	2.20
.20	.18	.....	....	Sturgeon R.	2,500	.19	.19½	.19	.19
.07	.04½	.....	....	Sud. Cont.	4,000	.06¼	.05½	.05½	.05½
1.77	1.60	.03	....	Sullivan C.	40,226	1.75	1.77	1.65	1.72
.10	.06¼	.....	....	Surf Inlet	500	.09¾	.10	.10	.10
2.47	1.95	.12	5.2	Sylvanite	6,875	2.25	2.47	2.20	2.30
.05	.04¾	.....	....	Taylor B.	1,000	.04¾	.05	.05	.05
3.85	3.25	.30	8.3	T. Hughes	7,560	3.80	3.80	3.55	3.55
.10	.08	.....	....	Temiskaming	2,000	.09¾	.09½	.09	.09½
1.15	.80	.04	....	Toburn Gold	600	1.12	1.12	1.08	1.08
.19½	.14	.....	....	Towagmac	1,458	.16	.17	.14	.15¼
.52	.45	.....	....	Trans. Res.	30,200	.50	.51	.50	.50
2.48	1.96	.10	4.4	Upper Can.	23,210	2.44	2.44	2.21	2.23
7.00	6.00	.20	....	Ventures	3,182	7.00	6.75	6.50	6.55
4.85	4.50	.70	....	Waite Am.	1,455	4.80	4.80	4.70	4.75
.26	.23	.....	....	Wendigo	1,000	.25½	.25½	.25½	.25½
.04¾	.04	.....	....	Whitewater	14,000	.04¼	.04¾	.04½	.04½
.17	.04	.....	....	Wiltsey C.	44,700	.11½	.13	.11½	.13
3.50	2.95	†.35	....	Wright-Har.	4,895	3.25	3.30	3.15	3.20
.04½	.03¾	†.10	....	Ymir Girl	6,000	.04	.04	.04	.04

Oil Stocks

Range 1944 High	Low	Div. Rate $	Feb. 7 Yield %	Company	Sales	Last Jan. 31	Week Ending Feb. 7 High	Low	Close
.10	.07½	.....	....	Acme G.&O.	5,500	.09	.09½	.09	.09½
.14	.08	.....	....	Alta. P. Cons.	875	.13	.12½	.10	.10
1.61	1.10	.....	....	Ajax	64,500	1.35	1.61	1.18	1.55
.65	.60	†.04	....	Anglo Can.	3,200	.60	.62	.60	.62
.81	.69	.....	....	Br. Dom.	17,045	.75	.76	.72	.76
.08	.06½	.....	....	Brown Oil	1,300	.07½	.08	.08	.08
2.23	1.90	†.10	....	Calg. & Ed.	12,450	2.04	2.10	2.05	2.07
.24	.20	.....	....	Calmont	2,417	.22½	.23	.20	.20
.21	.19½	.00½	....	Commoil	500	.20	.19½	.19½	.19½
.32	.30	.....	....	Common P.	200	.30	.32	.29	.29
.36	.25	.....	....	Dalhousie	1,110	.35	.35	.35	.35
.18	.10	.....	....	Davies Pete	50	.15	.12	.12	.12
.12½	.09½	.....	....	East Crest	6,400	.09½	.10	.09½	.10
1.45	1.20	.....	....	Foothills	1380	1.35	1.42	1.30	1.30
.12¼	.11¼	.....	....	High Sarcee	7,500	.11½	.12	.11¼	.11¼
3.55	3.25	.15	....	Home	9,105	3.35	3.55	3.35	3.45
.07½	.06½	.....	....	McD. Segur	4,000	.07	.07	.06¾	.07
.07½	.06¼	.....	....	Mercury	500	.07½	.06½	.06½	.06½
.40	.19¾	.....	....	Mid-Cont.	132,000	.36	.38	.34½	.38
.24	.21	†.02	....	Model	1,600	.22	.24	.21	.21
.08¼	.08	.....	....	Nat. Pet.	5,500	.08	.08½	.08	.08
.11½	.04	.....	....	Nordon	19,100	.10½	.11½	.08	.09½
.05	.03⅝	.....	....	Oil Select.	12,500	.04	.05	.03¾	.05
.70	.63	.....	....	Okalta	3,600	.65	.67	.63	.67
.04½	.03	.....	....	Pacalta	15,500	.04	.04	.03½	.03½
.75	.68	.....	....	Pac. Oil R.	6,030	.75	.75	.73	.74
.48	.40	.....	....	Pac. Pete.	1,600	.45	.45	.42	.45
.05¼	.03¾	.....	....	Royal Can.	9,009	.05	.05	.04½	.05
21.00	20.12	1.00	4.9	Royalite	225	20.50	21.00	20.50	21.00
.04¼	.03½	.....	....	South End	3,700	.04	.04	.04	.04
.28	.25	.....	....	So. West Pete	500	.28	.25	.25	.25
.08	.07	.01	....	Sunset	1,500	.08	.07¼	.07	.07¼
1.25	.90	.....	....	Texas Can.	20	.90	1.00	1.00	1.00
.07	.05¼	.....	....	United Oils.	3,500	.06	.07	.05¼	.06
.07½	.07¼	.....	....	Vanalta	1,500	.07½	.07¼	.07¼	.07¼
.19	.11½	.....	....	Vermilata	31,100	.17	.18	.15½	.16¾
.22	.18	.....	....	Vulcan	700	.22	.21	.20	.21

* Yield including bonus. † Paid in 1943.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Feb. 8	23,900	35,100	636,000	......
Feb. 7	18,100	24,600	913,000	38,716
Feb. 5	12,100	27,600	360,000	29,660
Feb. 4	14,500	34,600	443,000	17,220
Feb. 3	26,500	36,400	703,000	25,085
Feb. 2	30,900	43,700	619,000	28,200

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Feb. 8, 1944

%	Due	Bid	Ask.
2	June 1944	100	100¼
1½	Sept. 1944	100	100¼
4½	Oct. 1944	102	102¼
2¼	Nov. 1944	100¾	101¼
2	Mar. 1945	100¾	101¼
2	Dec. 1946	100¾	101¼
4½	Feb. 1946	105¼	106¼
2¼	Mar. 1948	100¾	101¾
1¾	May 1946	100	100¼
*2½	Jan. 1948	102½	103½
3¼	June 1949	102¾	103½
3¼	Oct. 1949	101¼	102¼
3	June 1951	103½	104½
3¼	Nov. 1951	103¾	104¾
3¼	Feb. 1952	104½	105½
3	Oct. 1952	101¾	102¾
*3	Jan. 1953	102¼	103¾
3	June 1958	99¾	100¾
4½	Nov. 1958	108¾	109¾
4½	Nov. 1959	109¾	110¾
*4	Oct. 1960	108¾	109½
*3¼	Jan. 1961	104	105
3¼	June 1966	102¼	103¼
4	Oct. 1952	106¼	107¼
*3	Jan. 1958	102	103
3	June 1955	100¾	101¾
3	Nov., 1958	100¾	101¾
4½	Nov. 1956	106¼	107¼
4½	Nov. 1957	107¼	108¼
3	Mar. 1956	101¾	102¾
*3	Jan. 1967	101	102¼
*3	Nov. 1968	101	102¼
3	Perpetual	94¼	95¼
4th Victory Loan:			
1¾	May 1946	100	100¾
3	Jan. 1954-57	99¾	100¼
5th Victory Loan:			
1¾	May 1947	99¾	100
3	Jan. 1956-59	99¾	100
Dominion Guarant'd Bonds			
Can. Natl. Railways:			
2¼	Jan. 1946	100¾	101¾

%	Due	Bid	Ask.
3	May 1944	100½	101½
3	Dec. 1950	101¼	102½
3	Jan. 1959	99¾	100¼
4½	Sept. 1951	122¾	124¼
4½	Feb. 1956	127¼	128¾
4½	July 1957	128¼	129¾
3	Feb. 1953	101¼	102¼
4¾	June 1955	128¾	130¼
5	Feb. 1954	117¼	118¾
5	July 1969	116½	117¾
5	Oct. 1969	128	129½
5	Feb. 1970	128	129½
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	130	131½
Grand Trunk Pacific Rly.:			
3	Jan. 1962	109¾	111¼
Provincial Govt. Bonds			
New Brunswick:			
4	Nov. 1947	111¼	113¼
3	Oct. 1951	98¼	100¼
3¼	Aug. 1949	99¼	101¼
3½	June 1956	100¾	102¾
4½	Apr. 1961	118¾	121¼
5	Jan. 1960	124¾	127¼
Nova Scotia:			
3	Jan. 1952	99¼	101¼
3¼	June 1956	100¾	102¾
3½	Nov. 1950	103¼	105¼
4½	Sept. 1952	115¼	117¼
4½	Nov. 1960	124¼	127¼
5	Mar. 1960	129¼	131¼
Ontario			
2½	May 1945	100½	101½
3	Apr. 1948	100¾	102¼
3	Nov. 1950	100½	102
3¼	Nov. 1951	102¼	103¾
3¼	May 1955	101½	102
4	June 1962	121¾	124¼
4½	June 1950	109	110½
4½	Jan. 1962	128	131
5	Oct. 1948	109¼	111
5	Dec. 1969	135½	138½

%	Due	Bid	Ask.
5½	July 1946	107¼	108¾
Ont. Hydro Commission:			
3	Aug. 1948	100¾	102¾
3¼	Feb. 1953	101¼	102¾
3½	Apr. 1947	103¼	104¾
Prince Edward Island:			
4	Mar. 1954	101¾	103¾
Quebec:			
3*	Nov. 1947	100½	102
3¼	Mar. 1948	101	102½
3¼	Mar. 1959	101¼	102¾
4	Nov. 1952	103½	105
3¾	Feb. 1955	103¼	104¾
4½	Aug. 1958	108¾	111¼
4½	Jan. 1963	112¾	115¼
Alberta:			
4½	Oct. 1956	88½	91½
4	Dec. 1954	85½	88½
5	Oct. 1959	89½	92½
5½	Apr. 1952	90½	93½
6	Mar. 1947	88¼	91½
British Columbia:			
4	Dec. 1957	115¾	118¼
4½	Jan. 1951	117¾	120¼
4½	Oct. 1953	118¾	121¼
5	Apr. 1954	120¾	123¼
5½	Feb. 1945	102	104
6	Feb. 1947	107¾	109¾
Manitoba:			
4	Dec. 1957	108½	110½
4½	Dec. 1956	112½	115½
5	Dec. 1969	118½	121½
5½	Oct. 1955	113½	116
6	Apr. 1947	106½	108
Saskatchewan:			
4	Sept. 1954	89½	92
4	Nov. 1950	89	91½
4½	Oct. 1951	102¾	105½
4½	Mar. 1960	94¾	97½
5	Aug. 1958	98¾	101¼
5½	Oct. 1952	99¾	102¼
6	Mar. 1952	101¾	104¼

*Payable N.Y.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

Feb. 8, 1944

	Bid	Ask.
Andian National.	23¼	24¼
Anglo C. Tel., A	9	10
Atlas Steels, c.	23	26¼
Do., pref.	107	..
B. C. Pulp, c.	14	..
Do., pfd.	75	80
B. C. Sugar	75¼	80
B. C. Tel., p.	114	..
Brown, com.	1¼	2¼
Do., 6% pfd.	35	37½
Burns & Co., A	11¼	12¼
Do., B	7¼	8¼
Canada Tea, p.	41	..
Can. Indust., A	150¼	..
Can. Mach., p.	6¼	8¼
Can. Ing. Rand	54¼	63
Can. Mot. L.A.B.	8¼	9¼
Cap. W. Cloth, p.	19	21
Col. Realty	3¾	..
Chase, A. W., p.	17¼	..
Colonial Steam.	62	65
Corr. Box, c.	2	..
Detroit Int. Br.	4¼	..
Dover Ind.	9¼	..
Dunlop T., p. $25	25	..
Edm. St. Yards	40	..
Galt Brass, c.	15	..
Goderich Elev.	11¼	12¾
Guard. Realty, p.	19	21
Gurney Fdy., p.	2	2¾
Hart Battery	6	..
Hayes Steel, c.	12	14
High. Dairy, pf.	53	..
Ingram & Bell, p.	93¼	..
Kingst. ship. c.	12	15
Lambton Golf	125	..
Loblaw Inc., c.	10¼	11
Minn. & Ont., c.	10¼	11¼
Mt. Royal Htl., c.	3	..
M'row Screw., p.	101	..
Do., com.	15	..

	Bid	Ask.
Moirs, pfd.	47	..
Morrison Br., pd.	..	14
Neilson, Wm., c.	15	..
Do., p.	101	..
N. Meth. Ldy., p.	76¼	..
Quinte Milk	3	..
Prov. Paper, p.	101	103
River. Silk, B.	2¼	..
Stand. Fuel, c.	1¼	..
Do., p.	73	..
Stedman, pf. $50	55¼	58
Sutton Horsley	..	1¼
Tor. Carpet, c.	73	..
U. Stk. Yd. Sask. p	80	..
Un. Steel, A. pf.	23	25
Viceroy Mfg., c.	16	22½
Do., pref.	23	26
West. Grain, pfd.	31	34
Un. Hotel rts.	5	..
Trust & Loan Stocks:		
British Mtge.	124	135
Capital Trust	33	..
Comm. Fin., c.	7¼	8¼
Crown Trust	60	..
Eastern Trust	148	..
Grey B. Tr. $50	48	..
Guelph & O. $50	50	55
Indust. Mtge.	27	..
Lambton Loan	36	..
Lond. & W. Trust	38¼	..
Midland Loan	14¼	17¼
Montreal Tr.	65	..
N. S. Trust	145	..
Premier Trust	38¼	..
Royal Trust	70	..
Sherbrooke Tr.	123	..
Sterling Trust	58	..
Trusts & Guar.	38¼	..
Victoria Trust	75	80
Waterloo Trust	100	105
Insurance Stocks:		

	Bid	Ask.
Brit. Amer.	52	..
Canadian Fire	75	82
Canada Life	360	..
Confed. 30% pd.	124	133
Continental L.	29	31
Crown Life	250	..
D. of Can. Gen.	130	..
Dom. Life	177¼	..
Empire, 25% pd.	10¼	..
Excelsior 40% pd	81	..
Great-West Life	260	275
Guar. N. Am.	205	..
Halifax Fire	14¼	16¼
Manufac. Life	250	..
Monarch 20% pd.	36	..
Maritime Life	22	..
National Life	12	..
Sov. L. 25% pd.	18	..
Sun Life	300	325
Tor. General	4¼	5¼
Western Assce.	46¼	..
Do., pref.	41	..
Western Life	11	..
Investment Trust Shares:		
Deb. & Sec., pf.	75	..
Th. Can. Inv. Tr.	2¼	3
Theatre Stocks:		
Allen's St. Cath. units	63	..
Do., Kingston	66	70
Do., Toronto, p.	37	..
Para. Kitch., p.	47	..
Do., Oshawa, c.	10	..
Do., Oshawa, p.	84¼	..
Power Issues:		
Can. W. Nat. Gas	30	..
Do., pfd.	104	..
Gt. Lakes Pr., p.	111	..
Mtl. Is. Pwr., p.	44	..
N. B. Telephone	12¼	14¼
Nor. Ont. Pwr. p.	73	78

Unlisted Mines

Toronto, Feb. 8, 1944

	Bid	Ask.
Alba R (new)	.12	.13
Aljo	.27	.31
Amal Kir	.17½	.18½
Ama Lar	1.35	1.40
Amicmica	.14	.16
Anna'que	.12	.14
Anoki	.14	.15
Apex Oils	.18	.20
Area	.11	.13
Arntfield	.06½	.07½
Banca	.51	.55
Bar Larder (old)	.23	.26
(new)	.04½	.05½
Brock	.13	.14
Calder Bo	.07	.08
Cen Man	.05½	.06
Cheminis	.26	.28
Classic S	.23	.26
Clift Con	.07	.08
Cock R L	.15	.16
Columbier	.11	.13
Cons Chib	.15	..
Crowshore	.03	.05
Dack Ck	.12	.15
Der R L	.23	.25

	Bid	Ask.
De Santis (new)	.09	..
Detomac	.30	.35
Dom Mal	.06	.07
Dom Nic	.10½	.11
Dona Pat	.09½	.10½
Donalda	1.75	1.80
Eastward	.23	.26
Eldona	.33	.35
Electra	.13	.15
Enter Fi	1.75	1.90
Gol Mani	.60	.63
Goodrock	.04	.05
Gr Prair	..	.29
G L Iron	.06	.08
Gunflint	.10	.12
Harp Mal	.08	.09
Hayes Cad	.03½	.04
Heva Cad	.06½	.07
Highridge	.13	.15
Hoyle n'w	.18	.19
Hugh P P	.20	.23
Laguerre	.22	.24
Lk Geneva	.02	.05
Lar-Add	.09	.10
Largold	.17	.19
Larder U	.19	.21

	Bid	Ask.
Legardo	.10	.12
Magn Con	.39	.42
Marbenor	..	.23
Mar Bird	.07½	.08½
Mat Con	.23	.26
Metalore	.07½	.10
Mica Spar	.48	.52
Moffatt H (new)	.06½	.07½
Mosher	.13	.15
Moosew'd	.09	.10
McCu R L	.18	.20
McManus	.05	.05½
McMarma	.24	.26
Nat Mal	.36	.38
Naybob	.02½	.03½
New Aug	.27	.30
Nick Off	1.10	1.25
New Mal	.24	.25
Norbeau	.44	.47
Norbenite	.24	.27
Norseman	.14	.17
Obalski	.09½	.10
Oklend	.06	.07
O'L Mala	.11	.12
Opemiska	.06	.09
Orpit	.10	.11

	Bid	Ask.
Pascalis	.37	.39
Paulore	.04	.05
Pelangio	.09½	.10
Pontiac R (old)	.23	.25
Presdor	.05½	.06½
Que Mani	.24	.26
Rajah RL	.13	.15
Rand Mal	.30	.32
Raylartic	.15	.17
Rebair	.37	.42
Ritoria	.18	.19½
S.A.G.A.	.90	1.00
Sheldon	.30	.32
Skyn Lake	.03¾	.04¾
Stadacona	.23	.26
Thoms L	.18	.19
Thurbois	.21	.23
Tombill	.13	.15
Tovarich	.08½	.09
Un Mining	.09	.10
Virgo	.29	.31
Wesley	.03½	.04
West R L	.04½	.05
West Shor	.03¾	.04¾
Y Davids	.35	.38

Oil Royalties

Producing Wells — Prices and Payments

	Feb. daily quota bbls.§	Mar. 15 daily quota bbls.§	Sept. pay. 1% $	Oct. pay. 1% $	Nov. pay. 1% $	Total to Nov. 30 1% $	Offering price* per 1% $
Ace No. 1 gross	300	386					
Alta. Oil Inc. No. 1 gr.	60	65	128.91	146.87	139.88	5,850.70	
Do., No. 1 net	60	65	22.40	18.00	21.60	3,907.60	....
Do., No. 2 gr.	270	389	17.20	15.60	20.40	4,380.40	....
Do., No. 2 net	270	380	136.40	139.20	127.20	5,928.20	800
Allied No. 1 pfd.	75	93	97.60	93.60	†229.20	7,107.00	4,400
Arrow No. 1 net	120	135	39.32	32.05	†97.76	1,893.92	3,000
Do., No. 2 net	140	170	42.00	35.00	38.00	1,212.12	1,200
Atlas No. 1 net pfd.	50	...	51.00	44.00	48.00	2,134.20	1,200
Atlas-Br. D. No. 2 net	370	450	36.80	36.80	▲38.80	......	1,700
Atlas-Br. D. No. 3 pd.	270	430	130.40	130.40	▲130.40	......	1,200
East Crest No. 5	115	115	173.20	173.20	157.60	......	5,000
Empire pfd.■	..	...	48.40	47.20	†108.80	919.60	4,700
Independent No. 1 pfd.	150	200	....	....	....	......	1,600
Do., No. 1 gr.	150	200	86.14	97.89	92.22	......	1,100
Major Oil No. 1 pfd.	50	95	75.17	75.17	69.33	......	2,200
Do., No. 1 gr.	50	95	26.80	25.20	37.20	3,138.12	....
Do., No. 2 net	260	350	22.60	31.20	48.40	1,211.70	1,200
Do., No. 2 gr.	260	350	90.40	75.60	†248.40	2,054.60	1,800
Do., No. 3 net	400	588	130.80	121.20	126.80	5,850.80	3,000
Do., No. 3 gr.	400	588	144.00	124.00	134.40	7,746.20	4,000
Do., No. 4 pfd.	70	125	192.00	203.20	200.00	8,398.00	4,500
Do., No. 4 gr.	70	125	42.00	60.80	32.40	......	....
Do., No. 6 pfd.	400		38.40	69.60	36.00	......	....
Do., No. 6 gr.	400	...	....	....	....	......	....
Do., No. 7 pfd.	350	500	....	....	192.40	......	1,200
Do., No. 7 gr.	350	...	194.40	140.40	188.80	3,313.20	5,400
Do., No. 7 dfd.	350	500	168.00	148.00	175.20	......	4,600
Do., No. 8 pfd.	165	225	....	....	....	......	5,700
Do., No. 8 gr.	165	225	93.60	78.60	102.80	1,395.40	3,600
Do., No. 8 dfd.	165	225	68.40	73.60	81.20	1,721.20	2,500
Do., No. 9 gr.	230	320	....	....	....	......	....
Do., No. 9 pfd.	230	320	133.60	101.20	115.60	2,645.00	1,300
Do., No. 9 dfd.	230	420	154.00	....	129.60	‡1,163.60	4,200
Maryland, pfd.	95		....	....	....	......	3,600
Miracle No. 1 net	250	300	....	....	....	......	1,300
Do., No. 1 gr.	250	300	84.47	86.51	102.84	6,104.20	700
Do., No. 2 pfd	110	200	124.00	121.60	125.60	6,310.79	3,000
Do., No. 2 gr.	110	200	62.71	52.89	52.90	......	3,000
Miracle No. 3 pfd.	140	...	66.40	46.80	50.40	1,733.38	1,600
Do., No. 3 gr.	140	...	....	....	....	......	....
National Vulcan	100	...	....	145.56	▲145.56	......	2,500
Northend Pete No. 1 pfd.	♦	...	....	....	....	......	2,300
Do., No. 1 gr.	♦	...	....	....	....	......	2,800
Twin City No. 2 gr.	150	...	77.70	85.77	70.59	......	6,500

* Approximately 25% over dealers' bid price. § Approximate. ■ Ontario Acreage Royalty. ♦ Testing. ‡ To Sept. 30. ▲ Oct. payments. † Increased payment represents distribution of a reserve against possible increase in gross payment to Alberta Gov't. (which increase was not allowed in court). Payment must not be considered a regular payment.

Wheat Prices

Winnipeg Grain Futures

Week of Feb. 7, 1944

Crop year from Aug. 1, 1943 High	Low		High for week	Low for week	Close Feb. 7
		Oats*			
.51½	.51½	May	.51½	.51⅛	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye.			
1.31⅝	.92⅛	May	1.31½	1.27⅝	1.29¼
1.31	1.08½	July	1.29⅛	1.26	1.27⅝
1.27¼	1.24⅛	Oct.	1.26¾	1.24¾	1.26

* At ceiling.

Cash Quotations

For Week

	Feb. 7, 1944 High	Low	Prev. week High	Low
Oats*:				
2 C. W.	.51½	.51½	.51½	.51⅛
3 C. W.	.51½	.51½	.51½	.51⅛
Barley*:				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye:				
2 C. W.	1.27⅝	1.25⅞	1.28⅛	1.25⅝

* At ceiling prices.

Significant Investors' Index Numbers

(Base 1935-39=100)

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 14	Banks 8	Total utilities 18	Total co's. 94
***1935 to date:**												
High	134.5	234.4	149.7	123.7	135.7	118.3	150.0	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
Jan.	90.3	75.3	82.4	62.9	114.3	88.2	109.7	84.0	88.5	76.7	90.0	76.2
Feb.	94.0	75.8	88.3	67.2	117.4	88.1	111.8	85.0	88.0	78.6	88.0	78.7
Mar.	96.7	77.1	89.5	65.6	118.1	81.6	113.9	85.3	88.6	80.2	92.1	79.1
April	100.8	79.6	83.3	67.7	121.1	87.4	128.2	89.5	95.8	80.9	101.4	82.6
May	104.0	89.3	91.6	67.9	119.9	88.7	128.1	91.4	101.0	80.5	106.2	83.7
June	108.6	94.7	96.0	73.2	124.0	89.4	133.5	93.1	111.1	81.4	111.1	86.3
July	110.5	106.8	94.1	84.9	126.0	91.5	137.9	94.5	111.3	81.7	112.4	91.0
Aug.	109.4	104.8	92.2	82.1	125.9	93.4	138.0	93.3	109.0	82.7	109.5	88.9
Sept.	111.4	104.7	91.9	83.5	126.1	93.4	138.5	92.6	110.8	82.8	110.3	89.3
Oct.	110.8	103.0	88.2	81.0	124.8	93.6	143.9	90.8	102.3	81.3	104.3	86.4
Nov.	103.8	96.5	89.6	74.4	120.3	90.7	142.2	85.2	90.9	79.9	94.1	79.6
Dec.	106.0	102.7	88.7	74.7	119.3	88.1	145.9	84.0	92.2	78.9	96.6	80.5
1944: Weekly Figures:												
Jan. 6	109.3	106.9	93.8	76.2	118.9	86.6	144.6	85.6	93.7	78.7	100.2	81.8
Jan. 13	109.2	110.9	94.2	76.4	118.5	88.3	142.4	85.8	93.9	78.9	99.2	81.7
Jan. 20	109.0	113.1	95.4	75.7	119.3	88.5	140.5	86.1	94.8	78.6	99.3	81.9
Jan. 27	107.6	109.4	95.3	73.8	120.4	90.0	142.3	86.7	94.9	78.8	99.5	81.3
Feb. 3	107.7	115.9	94.3	72.9	121.2	91.1	141.8	86.3	94.8	78.7	99.5	81.0

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Feb. 8	117.28	104.22	68.37	27.38
Feb. 7	116.95	104.60	68.56	27.08
Feb. 5	117.04	104.49	68.92	25.93
Feb. 4	117.49	104.42	68.93	26.83
Feb. 3	117.52	104.32	69.00	27.05
Feb. 2	117.89	105.85	69.32	26.93
Month ago	118.70	102.23	69.41	26.90
Year ago	104.88	77.90	70.70	23.72
High 1944	119.07	106.48	70.05	27.63
Low 1944	117.04	99.54	68.32	26.39

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
Feb. 8	55.0	76.8	69.5	135.87	76.35
Feb. 7	55.4	76.6	69.6	134.02	76.45
Feb. 5	55.9	76.8	69.8	134.23	76.73
Feb. 4	55.8	76.5	69.5	135.32	76.70
Feb. 3	55.7	76.7	69.6	135.60	77.04
Feb. 2	55.9	77.0	69.9	136.32	77.01
Month ago	55.5	75.9	69.1	128.79	77.10
Year ago	53.8	68.0	63.3	78.89	54.27
High 1944	55.9	77.3	69.9	136.32	79.90
Low 1944	53.4	73.8	67.0	116.68	73.64

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Feb. 7 Bid	Ask
Acme Glove, pf.	6.50	75	74½	..
Agnew Surp., c.	.80+.20	12¾	14	..
Amal. Electric	.60	8	8½	10
Amer. Cyn. (B)	.60	37	35	..
Assoc. Tel., p.	2.75	47	..	52
Assoc. T. & T.A.	...	1	1¾	..
Do. pref.	1.32	29¼	..	..
Ault & Wiborg	5.50	103¾	103¾	..
[illegible]lis	.50	8½	6	..
Barker's Bread	...	2¾	2¾	3
Do. pref.	2.50▲	42	40	42
[illegible] Sons	.80*	5½	5	6¾
Beatty Bros. (B)	.12½	15	10¼	15
Do. pref.	7	113	111	..
Beaver Lumber	...	6¾	7¼	..
[illegible]	...	105	110	..
Belding Cort., pf.	7	125	125	..
[illegible] Sons	.30+.10	9¼	..	10
Biltmore Hats	.60	8¼	8¾	9
Blue Top Br. (A)	.60	15½	..	..
[illegible]	.04	18	18	19
[illegible]der.	...	4½	4½	6
[illegible] G.	...	6½	5	6¼
[illegible]	6	92	90	..
[illegible] (B)	...	2½	2¾	..
Caldwell Linen	.25	5¼	6	6¼
[illegible] pf.	1.50	24¾	25¾	..
[illegible] pref.	.80	10¾	11	11¼
[illegible]ver, c.	...	30	..	..
[illegible]ad, pf.	6	109	110	..
[illegible]one	.40	5	4¾	..
[illegible]le, p.	5	105¼	106	..
[illegible] (B)	1.50	35	35	39
[illegible]	.50	11	8½	15
[illegible]	7	110	110	..
[illegible]ble, pf.	6.50	110	110	..
[illegible]es, c.	...	5¼	5	5¾
[illegible]y p old	2.10	27½	27¼	..
[illegible]e, rgts	1	23	23	..
[illegible]	6	106	108	..
[illegible]	6	125	121	130
[illegible] pf.	6	110	110	..
[illegible]e	4	71	70	..
[illegible]rod.	2	46	43	46
[illegible]v., pf.	8	105	..	..
[illegible]ec.	8	205	205	..
[illegible]	.60	10¼	10¾	..
[illegible]s. (A)	...	6½	6¼	..
[illegible]	...	6½	6¼	..
[illegible] pf.	7	172	171	173
[illegible]	...	.75	.50	1.00
[illegible]	2	58½	55	..
[illegible]	1	15¼	15¼	18
[illegible]	1+.20	18¾	19	20
[illegible]., c.	...	.65	.65	.95
[illegible]	...	6	..	..
[illegible]	1.75*	105	..	..
[illegible]	...	70	..	..
[illegible] (A)	1	12	12	17
[illegible]	1	14½	10	17
[illegible]se	2	48½	49	..
[illegible]	1.50+.25▲	18¼	18½	19
[illegible]	4	117	117½	..
[illegible]	...	1.60	1.75	..
[illegible]	8	130	138	..
[illegible]	4	84	90	95
[illegible]	...	4¾	4½	4¾
[illegible]	...	.25	.10	..
[illegible]	.25	5¾	..	5¾
[illegible]	.25	5¾	..	5¾
[illegible] pf.	.40	6¼	6¼	..
[illegible]	4	79½	78	81½
[illegible]	4	45½	45	..
[illegible]	...	1.25	1.30	..
[illegible]	...	.70	.65	.80
[illegible]	2.50*	43	43	45
[illegible]	1+.15	16¼	17¼	..
[illegible]	...	3½	2½	3
[illegible]	...	85	70	71
[illegible]	...	1.50	1.20	1.85
[illegible]	1.50	16	14¾	16
[illegible]	4	33	36	..
[illegible]	5	90	85	..
[illegible]	.20	6¼	7	..
Dom. Envelope	3.50	53	52	..

	Div. rate $	Last sale	Feb. 7 Bid	Ask
Dom. Fabrics	.80	9¾	9¾	10½
Do., pref.	3	50½	51¾	..
Do., 2nd pref.	1.50	33	22¾	..
Dom. Scot. Inv.	...	.55	.55	2.00
Do., pref.	2.50	31	31	33
East Koot Pr.	...	.50	.25	..
Do., pref.	...	14	14	16
East Dairies, c.	...	.70	.65	1.05
East Theatres	.50	6¼	6½	..
Economic Inv.	1.90	29	29	33
English Elect. (B)	...	3½	3½	6
Fairchild Air	...	2¾	2½	3
Fam. Players	1.50	25	..	25
Federal Fire	2.50+50	.51¾	51½	..
Fleury Bissell	...	1.00	1.00	..
Do., pref.	...	24	24	27
Ford Motor (B)	1	24½	23¼	..
Freiman, c.	...	1¾	2	8½
Gt. West Life	15	260	260	..
Gt. W. Saddl., pf.	3	36	34	38
Greening Wire	.60	11¾	11½	12
Guaranty Trust	5	103	105	108
Gurd, Chas. pf.	...	75	75	..
Halifax Ins.	.80	15	15	..
Ham. Cotton	.90	15½	15	15½
Ham. U. Theat., pf.	5	100	101½	..
Hillcrest Coll.	...	.50	.40	1.00
Holt Renfrew	...	8	8	..
Do., pref.	3.50	95	90	..
Home Invest. ($40)	...	16	15	..
Humberstone S.	.75	14	15	16
Hunts (A)	.50	11	11	11¼
Hur. & E. Mt. 20% p	.80	12	12	13
Imperial Life	15	274	..	..
Imp. Varnish	.50+.10	9¾	10	10¼
Do., pref.	1.50	29¾	30	..
Indust. Accept., pf.	5	94	94	95
Inter-City Bak.	3+1	45	42	45
Inter'c Coal	2	33	..	49
Do., pref.	8	125	..	..
Int. Coal & Co.	.03	.34	.30	.34
Int. Metal Ind. p. A	6	100	101½	..
Int. Mill., pf.	4	108½	108¾	..
Int. Nickel, pf.	7	145	144½	148½
Int. Paints	...	2¼	2¾	3¼
Do., pref.	1+.50▲	16½	17	..
Int. Pap. & P. pf.	5	76	..	..
Int. St. Rlty. (A)	...	10	..	10
Do. (B)	...	..	..	3
Invest. Found, pf.	3	49	49¼	49¾
Jam. Pub. Ser., c.	.68	11	10	12
Lake of Woods, c.	1.20	24½	24	25
Langley's c.	...	..	..	4
Legare, pref.	...	11	10¾	..
Levy Bros.	.50	3	2½	..
Lindsay, C. W., pf.	2	65	61	..
Mackenzie Air	...	1.00	..	..
M. L. Gardens	...	10	10	..
Do., pref.	.70	7½	7½	8¼
Maritime Tele, pf.	.70	17½	17	17½
Marcus Loew's	...	25	32	..
Do., pref.	7	103	100	..
McColl Fron., pf.	6	105	103½	105
Mercury Mills	...	7½	7½	8
Mitchell, J. S.	2.50	50	45	..
Mod. Contain.	1.20	16¼	16½	16¾
Do., pref.	5.50	98	100	105
Monarch Knit	...	3	3	6
Do., pref.	7	80	79	82
Monarch Life	12%	39	37½	..
Montreal Cot., c.	4	72½	72½	75
Mont. Is. Pr.	...	.25	.75	3.00
Montreal Loan	1.25	18	18½	..
Moore Corp. pf. (A)	7	188	186	..
Do., pf. (B)	7	281	..	..
Muirheads pf.	...	10½	10½	13
Murphy Paint	.80	13	14	..
Do., pref.	5.50	..	101	..
Nat. Brew, pf.	1.75	43	42	43
National Tr.	8	170	170	175
North Star Oil, c.	...	1.25	1.25	1.30
Nor. Can. Mtge.	...	6½	6½	9
Nor. Trusts	...	15	14	..
N.S.L. & Pr.	5	80½	73	80
Do., pref.	6	108	108	..

	Div. rate $	Last sale	Feb. 7 Bid	Ask
Ontario Loan	5	105½	105	113¾
Ont. Silknit	...	1¼	..	4
Do., pref.	3	45	43½	50
Do., scripts	1	13½	12	15
Ont. Steel, pf.	7	120	107¾	..
Ott. L.H. & P., pf.	5	87	87	..
Pacific Coyle	.03	.33	.33	..
Pantepec Oil	...	8½	8	10
Paton Mfg.	4	54	55	57
Do., pref.	7	123	123	..
Porto Rico Pr., p.	7	[illegible]	[illegible]	[illegible]

[illegible]

* Interim dividends paid in 1943.

▲ On arrears.

	Div. rate $	Last sale	Feb. 7 Bid	Ask
Uchi Bonds	...	32.00	32.25	35.00
Wellington	...	.01¼	.01	.01¼
Winnipeg R. Tin	...	.01	.00¾	.01

Oil Stocks

	Div. rate $	Last sale	Feb. 7 Bid	Ask
Anaconda	...	.05	.04¾	.04¾
Brown Oil	2½%	30.00	..	30.00
Grease Creek	...	.02¼	.01	..
Homestead O. & G.	...	.04½	.04	.05

[illegible]

Mining Stocks

[illegible]

Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)

Feb. 8, 1944

[illegible]

*Issue carries arrears.

†Currently paying on arrears.

Investment Trusts

[illegible]

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Feb. 8, 1944

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Bid
▲Alg. Cen. H.B.R.	5	'59	34	37	35
†Assoc. Tel. & T.	5½	'55	94½	97½	95
B. C. Power	4½	'60	102	104	102
B. C. Tel.	4½	'61	109½	111½	109½
†Calgary Pwr.	5	'60	113½	115½	113

[illegible]

Municipal Bonds

Feb. 8, 1944

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	110.00	113.00	2.77
Montreal	5	1945	99.00	102.00	*
Ottawa	4½	1945	102.00	104.00	2.00
†Quebec	5	1959	115.00	118.00	3.45
Saint John	5	1950	106.25	109.25	3.50
†Toronto	4½	1955	123.25	126.25	1.85
†Vancouver	5	1970	115.50	118.50	3.88
Winnipeg	[illegible]	[illegible]	[illegible]	[illegible]	3.12

Bond Redemptions

[illegible]

Bond Tenders

[illegible]

Corporation Bonds (Cont'd)

[illegible]

Dividends Declared

	This payment $	Date payable	Date of record
Agnew Surpass, c.	.40+.10	Mar. 1	Jan. 31
Do., pref.	1.75	Apr. 1	Feb. 29
Aunor Gold	.05	Mar. 1	Feb. 10
Ang. Can. Tel. A	.15	Mar. 1	Feb. 10
Aluminium	2	Mar. 6	Feb. 7
Do., pref.	†1.50	Mar. 1	Feb. 3
Blue Top Brew. A	.15	Mar. 31	Mar. 15
Do., (B)	.04	Mar. 31	Mar. 15
Bertram & Sons	.15	Feb. 15	Jan. 31
Do., extra	.05	Feb. 15	Jan. 31
Bk. Can. Nationale	1.50	Mar. 1	Feb. 15
Bruck Silk M.	•.10	Mar. 15	Feb. 15
Bank of Montreal	1.50	Mar. 1	Jan. 31
Bank of Toronto	2.50	Mar. 1	Feb. 15
Belding Cort., c.	‡2	Mar. 1	Jan. 31
Borden Co.	†.40	Mar. 1	Feb. 15
Bathurst Pwr. "A"	.25	Mar. 1	Jan. 28
Capital Trust	1.50	Mar. 1	Dec. 31
Canada Starch, pf.	•3.50	Feb. 15	Feb. 8
Canada Dry	†.25	Mar. 9	Feb. 24
Canada Iron, pfd.	3	Apr. 1	Mar. 15
Can. Breweries, pfd.	.85	Apr. 1	Feb. 15
Canada Vinegars	.10	Mar. 1	Feb. 15
Chartered Trust	1	Apr. 1	Mar. 15
C'monwealth Inter.	.04	Feb. 15	Jan. 15
Commoil	.00½	Feb. 25	Feb. 4
Can. Bakeries, pfd.	1.25	Mar. 1	Jan. 31
Can. Gen. Elec.	2	Apr. 1	Mar. 15
Can. Int. Inv. Tr. pd.	•.50	Mar. 1	Feb. 1
Can. Cel. Inc. fd. rts.	1	Mar. 15	Dec. 31
Can. Food Prod.	.50	Apr. 1	Feb. 29
Can. Nor. Power	•.15	Apr. 25	Mar. 20
Do., pref.	•1.75	Apr. 15	Mar. 20
Can. For. Inv.	1	Apr. 1	Mar. 1
Do., pref.	2	Apr. 1	Mar. 1
Consumers Glass	.50	Feb. 20	Jan. 28
Corr. Paper Box, pf.	1.75	Mar. 1	Feb. 4
Do., arrears	*7	Mar. 1	Feb. 4
Crown Cork	.50	Feb. 15	Jan. 19
Canadian Oil, c.	.25	Feb. 15	Feb. 1
Cosmos Imperial	.30+.15	Feb. 15	Jan. 31
Canada Wire & C., A	1	Mar. 15	Feb. 29
Do., (B)	.25	Mar. 15	Feb. 29
Do., pref.	1.62½	Mar. 15	Feb. 29
Dairy Corp. pfd.	1.25	Apr. 1	Mar. 1
Dom. Ang. Inv., pfd.	1.25	Mar. 1	Feb. 15
Dominion Bridge	.30	Feb. 25	Jan. 31
Dom. Stores	.10	Mar. 20	Feb. 23
Dom. Scot. Inv. pfd.	.50	Mar. 1	Feb. 7
Dom. Envelope, c.	.10	June 1	May 20
Do.	.10	Dec. 1	Nov. 20
Eastern Steel	.25	Mar. 1	Feb. 12
Federated Pete.	.01	Feb. 21	Jan. 31
Federal Grain, pfd.	2	Mar. 1	Feb. 15
Hamilton Cotton	.22½	Mar. 1	Feb. 10
Hallnor Mines	.05	Mar. 1	Feb. 10
Imperial Tob., ord.	.10+.15	Mar. 31	Feb. 15
Do., pref.	3%	Mar. 31	Feb. 15
Imperial Varnish	.12½	Mar. 1	Feb. 19
Do., pref.	.37½	Mar. 1	Feb. 19
Inter. Nickel, c.	†.40	Mar. 31	Mar. 1
Jam. Pub. Serv.	.17	Apr. 1	Feb. 29
Do., pref.	1.75	Apr. 1	Feb. 29
Kerr Lake Gold	.05	Feb. 29	Feb. 1
Kerr Addison G.	.05	Feb. 29	Feb. 1
Loblaw Groc. A, B	.25	Mar. 1	Feb. 1
Laura Secord	.20	Mar. 1	Feb. 1
Lake Shore Mines	.20	Mar. 15	Feb. 15
Lake of W. Mill.	.30	Mar. 1	Feb. 4
Do., pref.	1.75	Mar. 1	Feb. 4
Leitch Gold	.02	Feb. 15	Jan. 31
Loblaw Groc. Inc.	†.15	Feb. 25	Feb. 11
McIntyre Porc.	.55½	Mar. 1	Feb. 1
Montreal Cottons	1	Mar. 15	Feb. 15
Do., pref.	1.75	Mar. 15	Feb. 15
Mitchell, J. S.	2.50	Mar. 1	Feb. 7
Mtl. Loan & Mtge.	.31¼	Mar. 15	Feb. 29
N. S. Light, pfd.	1.50	Mar. 1	Feb. 14
Noranda Mines	1	Mar. 15	Feb. 15
Ottawa L. H.	.15	Apr. 1	Feb. 9
Do., pref.	1.25	Apr. 1	Feb. 9
Ogilvie Flour, c.	.25	Apr. 1	Feb. 25
Do., pref.	1.75	Mar. 1	Jan. 28
Ont. Steel Prod.	.25	May 15	Apr. 15
Do., pref.	1.75	May 15	Apr. 15
Paton Mfg.	1	Mar. 15	Feb. 29
Do., pref.	1.75	Mar. 15	Feb. 29
Photo Engrav.	.75	Mar. 1	Feb. 15
Power Corp. 1st pfd.	1.50	Apr. 15	Mar. 20
Do., 2nd pref.	.75	Apr. 15	Mar. 20
Penmans	.75	Feb. 15	Jan. 17
Proprietary M.	.05	Mar. 9	Feb. 9
Prov. Transport	.20	Feb. 15	Feb. 8
Provincial Bank	1.25	Mar. 1	Feb. 15
Quebec Power	.25	Feb. 25	Jan. 25
Quinte Milk	.10+.05	Feb. 1	Jan. 20
Royal Bank	1.50	Mar. 1	Jan. 31
Rolland Paper	.15	Feb. 15	Feb. 5
Do., pref.	1.50	Mar. 1	Feb. 15
Regent Knit.	.25	Mar. 1	Feb. 4
Do., pref.	.40	Mar. 1	Feb. 4
Do., pref.	.40	June 1	May 1
Do., pref.	.40	Sept. 1	Aug. 1
Do., pref.	.40	Dec. 1	Nov. 2
Sec. Can. Int. Inv., p.	.10	Mar. 1	Feb. 15
Do., com.	10	Mar. 1	Feb. 15
Shawinigan W. Pr.	.22	Feb. 25	Jan. 18
Silverwoods	.20	Apr. 1	Feb. 29
Do., pref.	.20	Apr. 1	Feb. 29
South. Can. Pwr., c.	.20	Feb. 15	Jan. 20
South. Can. Pwr., c.	.20	May 15	Apr. 20
Do., pref.	1.50	Apr. 15	Mar. 20
Sherwin Wms. pd.	1.75	Apr. 1	Mar. 10
Siscoe Gold	§.01½	Mar. 15	Feb. 12
Sullivan Cons.	.03	Mar. 15	Feb. 15
Sunset Oils	.01	Mar. 15	Mar. 1
Toburn Gold	.01	Feb. 22	Jan. 22
United Corp., A	.38	Feb. 15	Jan. 15
Upper Can. Mines	.02½	Feb. 29	Feb. 15
Wilsil	.25	Apr. 1	Mar. 1
Walker-Good.	1	Mar. 15	Feb. 11
Do., pref.	.25	Mar. 15	Feb. 11
Waite Amulet	.20	Mar. 10	Feb. 11
York Knitting	.20	Feb. 18	Feb. 3
Do., pref.	3.50	Feb. 15	Feb. 3
Do., 2nd pref.	3.50	Feb. 15	Feb. 3
Yukon Cons.	•.06	Mar. 15	Feb. 15

•Subject to approval of Foreign Exchange Control Board.
†Payable in N. Y. funds.
‡Extra. *Eliminates arrears.
§Further divd. action deferred until year end.

DIVIDEND NOTICES

BANK OF MONTREAL

ESTABLISHED 1817

DIVIDEND NO. 323

NOTICE is hereby given that a DIVIDEND of ONE DOLLAR AND FIFTY CENTS per share upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after WEDNESDAY, the FIRST day of MARCH next, to Shareholders of record at close of business on 31st January, 1944.

By Order of the Board

B. C. GARDNER,
General Manager.

Montreal, 18th January, 1944.

Upper Canada Mines Limited

(No Personal Liability)

DIVIDEND NO. 15

Notice is hereby given that an interim dividend of two and one-half cents (2½c) per share has been declared on the outstanding capital stock of the Company, payable in Canadian Funds on February 29th, 1944, to shareholders as of record at close of business February 15th, 1944.

By Order of the Board.

G. F. SUMMERS,
Secretary-Treasurer.

Toronto, February 1st, 1944.

Proprietary Mines Limited

DIVIDEND NO. 15

NOTICE is hereby given that a Dividend of Five cents per share has been declared on the issued capital stock of the Company, payable in Canadian Funds on March 9th, 1944, to shareholders of record at the close of business on February 9th, 1944.

By Order of the Board.

J. INGRAM,
Secretary-Treasurer.

Toronto, Ont., February 1st, 1944.

OTTAWA LIGHT HEAT AND POWER COMPANY, LIMITED

The following dividends are payable 1st April, 1944, to Shareholders of record 9th February, 1944.

Preferred Stock: 1¼% (being at the rate of 5% per annum).

Common Stock: Fifteen Cents (15 Cts.) per share on the No Par Value Shares.

The transfer books will not be closed.

By Order of the Board.

F. W. FEE,
Secretary.

Ottawa, 2nd February, 1944.

WE WILL SELL — Yield about
100 Can. Ind. Pref. 174.00—4.03%
100 Loblaw Inc. 11.00—5.45%
100 Anglo-Can. Tel. A 9.00—6.25%
A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 6101

Cartel Probe Causes Stir U. S. Circles

See Evidence Giving Business Hecklers More Ammunition

By LAWRENCE SULLIVAN

WASHINGTON.—Summarizing a three-year academic enquiry into the operating methods of international raw material and manufacturers' cartels, the Anti-Trust Division of the Department of Justice transmitted to the Senate last week a 40,000-word report styled, "Economic and Political Aspects of International Cartels."

Compiled by Corwin D. Edwards, chairman of the Policy Board of the Anti-Trust Division, the report presents a somewhat bitter and often intemperate attack on "big business" the world around. In many instances, the document offers searing judgments on international trade relations, some of which appear only meagerly, if at all, supported by the evidence at hand. Yet the report has created a mild political sensation on Capitol Hill.

• • •

Impeded Defense

The report charges that cartels and monopolies, before the war, hindered the full development of technology in the United States and jeopardized its preparedness for national defense.

Patent leasing arrangements between Du Pont and Imperial Chemical Industries are explored at some length, on the ground that they constitute, in effect, a division of the world markets. At no point, however, does the discussion frankly weigh the advantages of organized industrial research and constant maintenance of remote distribution channels made possible only by large-scale operations.

Price maintenance agreements are uniformly condemned, usually on the implied suggestion that comfortable gross profit margins, before taxes and interest, present the whole picture of business costs.

• • •

The report charges bluntly that a cartel agreement between U. S. and German interests restricted development of magnesium production facilities in the U. S.

"In consequence, the production and use of magnesium in this country lagged far behind the development in Germany, and there was a serious shortage of experience and equipment for fabricating magnesium at the outbreak of the present war."

• • •

Sir Alfred Mond Speaks

Neither does the Edwards report always acknowledge that many international trading arrangements were set up as semi-public agencies, with the full knowledge and consent of the governments concerned, often with the contracts subject to public approval or Cabinet supervision. Sir Alfred Mond, organizer of Imperial Chemical Industries, stated the case for such international arrangements frankly and courageously in 1927, Mr. Edwards acknowledges.

"A fact which is not yet clearly understood," said Sir Alfred, "is that the practice of regarding trade processes as a jealous secret is out of date. Modern methods require an exchange of information and the fruits of research between all engaged in the same industry."

To what end are such exchanges directed? Sir Alfred viewed them as dictated by the natural desires of "the world at large to co-operate with all those working on similar ideas, so as to pool the results of invention and research and to bring to bear, as speedily as possible, and in every civilized country, the economic rate of production."

DIVIDEND NOTICES

Federal Grain Limited

DIVIDEND NOTICE

TAKE NOTICE that a dividend of $2.00 per share on the 6½% Cumulative Preference Shares of the Company, on account of arrears of Dividends, has been declared, payable on March 1st, 1944, to shareholders of record at the close of business February 15th, 1944.

The transfer books of the Company relating to the said Preference Shares will be closed from the close of business on February 15th, 1944, until the close of business on March 1st, 1944.

By order of the Board.

R. C. GAGE, Secretary.

Winnipeg, Manitoba,
3rd February, 1944.

"CANADA DRY"

Dividend Notice

At the meeting of the Board of Directors of Canada Dry Ginger Ale, Incorporated, a Delaware Corporation, held January 25, 1944, a dividend of twenty-five cents (25¢) per share on the common stock was declared, payable March 9, 1944, to stockholders of record at the close of business, February 24, 1944.

Wm. J. WILLIAMS, *Secretary*

SISCOE GOLD MINES LIMITED

NOTICE OF DIVIDEND NO. 48

NOTICE IS HEREBY GIVEN that a Dividend of One and One-Half Cents (1½c) per share on the issued Capital Stock of Siscoe Gold Mines Limited, has been declared payable on March 15th, 1944, to shareholders of record at the close of business on the 12th day of February, 1944.

By Order of the Board.

H. E. GREEN,
Secretary-Treasurer.

Montreal, February 4th, 1944.

May Ship Wheat To Duluth

Movement Now Awaiting Navigation Opening

From Our Own Correspondent

WINNIPEG.—Until last week's cold snap there had been strong expectations of an early opening of navigation on the Great Lakes, with consequent heavy wheat shipments by water early in the spring. There had also been talk of possible water shipments during March, from Port Arthur and Fort William to Duluth, of wheat being purchased by the U. S. Commodity Credit Corp. Supplies so sent would reinforce the shipments being made all rail, in cars supplied by U. S. railways, direct from country elevators to destinations south of the line. Change in the weather is a reminder that plans for early movement of vessels should be considered as subject to change without notice.

Guarantee Coarse Grain Prices

Press reports from Ottawa indicate the Canadian Federation of Agriculture brought before the Cabinet last week the question of a guaranteed price for oats and barley to be seeded this spring by western farmers. It has been generally assumed hitherto that some guarantee of price would be given by the Dominion Government. Otherwise, it was argued, farmers with a guaranteed price basis of $1.25 for wheat would be likely to transfer back into wheat a great proportion of the acreage for the past two or three years devoted to feed grains. Now there is some doubt whether the Government will interfere with seeding plans farmers would make in the absence of such a guarantee.

Already, it is announced, wheat acreage reduction payments paid for the past two years on former wheat acreage transferred to other crops will not be continued. Those payments last year added a total of $20 millions to the income of western farmers. Now that the basic initial price of wheat has been advanced to $1.25 it can be said that the additional income in question is not required. Nor is it likely such payments would any longer be effective in altering a farmer's plans for seeding. When wheat prices were lower, and before prices for oats and barley had advanced to current levels a payment of $2 an acre for land put into the latter crops instead of into wheat had some effect.

Back to Old Principles

Now it is likely most farmers will revert to earlier principles in deciding allotment of their acreage to different crops. The best prepared land will go into wheat, provided seeding can be done sufficiently early. To barley and oats will be allotted land less well prepared, or which has to be seeded late. In some districts suited especially to either of the latter grains they will be accorded a preference, and that will also be the case with farmers carrying on a heavy livestock feeding program.

No longer is there worry about a large supply of wheat in Canada. The rate at which demand has developed during the past year, both overseas and in U. S., seems to make it likely that all the wheat Canada can produce in 1944 can be put to good use. U. S. authorities apparently prefer, when having to import feed grain, to have it in wheat instead of in oats and barley. That is because of the limited transportation available, and because it is more economical to move, in a limited cubic space, heavy grain such as wheat, instead of lighter grains, more cumbersome to handle.

Then, too, there is no longer the same worry about supplies of oats and barley for feeders in eastern Canada. At the beginning of this crop year there were varying estimates, running up to 130 million bushels of the total quantity of western oats and barley which might have to be moved to eastern Canada, where demands had increased because of short local crops of feed and because of heavy livestock feeding operations. Now, however, there is actual congestion of eastern storage space by western grain provided to meet the expected need, and latest figures suggest that earlier estimates of need had been too large by from 30 to 50 million bu.

Some Exaggeration

Probably in some cases there had been some exaggeration by dealers and by farmers who wanted to be sure ample provision would be made for them. In some cases actual feeding operations have been less than earlier expected, and to some important extent mild winter weather has meant smaller demands for feed. A main factor has been the great extent to which mill feeds have been available from the heavy operations of mills, which have been grinding to capacity to meet the needs of Great Britain and other allied countries. Mill feeds, under price ceilings, are cheaper than oats or barley, and farmers do not turn to the latter until they have exhausted the former. Because of that price relationship and the resulting preference of buyers, there are never enough mill feeds to satisfy demand.

Thus, while the Government will naturally desire western farmers to produce all the oats and barley that may be required in the West, there will be natural hesitation to assume too great responsibility for quantities that farmers may produce for cash crops. Outlets may not be available for all offered for sale. That is particularly so in view of the extent to which transportation facilities have to be allotted for wheat, both for overseas and for U. S. shipment.

Present reports suggest the U. S. would willingly absorb, during the current crop year, more than 150 million bu. of Canadian wheat, if means for movement of such a quantity can be found. What that country may require during the crop year which commences Aug. 1 next cannot now be calculated, as much will depend upon the size of this year's crop.

Western farmers expect that during March they will begin to cash participation certificates issued by the Canadian Wheat Board for the 1940 crop. Payments are also due for 1941 and 1942 crops the amounts differing for each year and also for the different grades delivered each year. With all the accounting to be done by the Wheat Board in this connection and with the inevitable delays when participation certificates get lost, payments will probably extend over several months. No statement has as yet been made as to the payments per bushel to be expected, but the total to be distributed in the West is understood to be well above $50 millions.

Company Reports

Bell Telephone

Years Ended December 31

	1943	1942
Operating revenue	$59,594,841	$55,736,382
Net profits	5,885,807	7,346,686
Earned per share	$6.92	$8.72
Paid per share	8.00	8.00
Working capital	$12,962,037	$8,689,244

Excluding refunding portion of E. P. tax of $1,654,000 in 1943 and $709,000 in 1942.
(Comparitive 1942 figures bracketed).

Bell Telephone Co. of Canada reports further expansion of operations in 1943 with revenues at the highest peak in the company's history. At the end of the year there were 956,113 stations in service (925,414). Local service revenue was $39 millions, a gain of 3.3%; long-distance revenue $18.3 millions, up 16.2%; miscellaneous revenue $2.9 millions, decrease of 3.9%.

Taxes applicable to the year totalled nearly $12 millions, an advance of 19.5% over 1942. Allowing for the refundable portion of the E. P. tax, the dividend was fully earned in the past year.

New construction carried out last year amounted to $6.2 millions, bringing plant account up to $234.2 millions. Cash and temporary investments at the end of 1943 totalled $6.7 millions ($2.8 millions). Capital stock issued now amounts to $85.1 millions ($84.2 millions). Bonded debt amounts to $78.1 millions ($77.7 millions) while a bank loan of $1 million was liquidated during the year. Other changes in the balance sheet are not of a major character.

In his report to shareholders C. F. Sise, president, says that a committee is making a survey of conditions likely to confront the company in the post-war period. Plans are being developed which contemplate expanding employment, a construction programme to meet postwar service demands, a return to prewar service levels and the restoration of normal margins of plant.

Landed Banking & Loan

Years ended Dec. 31:	1943	1942
Earned per share*	$4.00	$4.74
Paid	4.00	4.00
Total net assets†	2,931,637	2,860,054
Guar. liabilities	1,297,162	1,225,114
Shareholders' equity	1,634,475	1,634,940

* Based on net earnings less taxes and transfer to general investment reserve. In 1942 no such transfer was made.
† Total assets less current liabilities and general investment reserve.
(Previous year's figures bracketed below).

Landed Banking & Loan Co., Hamilton, reports net profit of $40,036 ($47,377) for the year ended Dec. 31, 1944, after deduction of $18,738 ($16,730) for taxes and $8,803 (nil) transferred to general investment reserve. Real estate held for sale by the company was reduced to $167,026 ($210,577). Mortgages and agreements for sale amounted to $1,728,527 ($1,969,073). Dominion Government bonds and guarantees totalled $572,311 ($451,613). Cash rose to $215,142 ($78,421). Sterling debentures of the company decreased to $7,178 ($16,182) while Canadian debentures stood at $433,003 ($432,170). Savings deposits increased to $851,402 ($771,321).

Crown Trust Co.

Operations of Crown Trust Co. in 1943 were on a more favorable basis than in 1942, though net earning power remained much the same. Company account at the end of the year totalled $1,462,771 ($1,454,252). Principal changes among assets were: First mortgage loans $270,469 $326,520); Dominion and provincial bonds $257,375 ($233,555); other securities $162,711 ($67,573).

Years Ended Dec. 31:	1943	1942
Earned per share*	$4.16	$3.21
Paid	4.00	4.00
Total net assets†	$3,450,635	$3,211,380
Gtd. liabilities	2,007,273	1,769,668
Shareholders' equity	1,443,362	1,441,712
Estates, trusts & agencies	36,624,576	39,281,452

* Based on net earnings less provision for taxes.
†Total assets less current liabilities.
(Previous year's figures bracketed below.)

Chas. Gurd & Co.

	7 Mos. to Oct. 27/43	Yr. Ended Mar. 31/43
Net loss	$ 12,646	$ 1,516
Working capital	$283,036	$281,889

(Comparative Mar. 31/42 figures bracketed).

Rationing of sugar, rising costs and heavy taxes adversely affected operations of Chas. Gurd & Co. during the 7 months ended Oct. 31, 1943. Operating profit for the period totalled $189,487, compared with $310,551 in the preceding 12 months.

Sales were restricted during the period owing to sugar rationing, but for the coming year sugar allocation has been increased from 70 to 80% of the 1941 usage. War orders, mostly for the food division, have been helpful in reducing losses to a minimum.

Sarnia Bridge

Years Ended Dec. 31:	1943	1942
Net profits	$24,823	$24,222
Earned per share	60c	59c
Dividends paid	65c	....
Working capital	$213,466	$170,864

(Comparative 1942 figures bracketed).

Sarnia Bridge Co. had a gross income in 1943 of $158,110, compared with ($146,725) and while taxes and other charges were off moderately, the writing off of reorganization expenses left net income at about the same level as in 1942.

During the year inventories declined to $156,773 ($213,773); but cash and government bonds increased to $93,348 ($24,269). Property account shows machinery and plant at $255,668 ($293,389) before depreciation.

Shawinigan

Years Ended Dec. 31:	1943	1942
Net income	$2,367,385	$2,532,866
Earned per share*	$1.08	$1.16
Paid per share	$0.90	$0.90
Working capital	$5,416,152	$2,350,445

*Excluding refundable portion of E. P. tax of $670,442 in 1943; $440,450 in 1942.
(Comparative 1942 figures bracketed).

Maintenance of earning power at the record level set in 1942, a substantial reduction in the funded debt, increased working capital and record power sales, are featured in the 1943 annual report of the Shawinigan Water & Power Co. After applying 75% of the rebate on certain power sales ordered by the Public Services Board to 1943 accounts the company has an operating income of $23 millions or about $200,000 less than in 1942. This decrease is offset in part by a dividend of $281,275 from Shawinigan Chemicals Ltd., bringing total revenue to $24.3 millions as compared with $24.2 millions the year before.

The balance sheet showed further strength. Cash, call loans, government bonds and temporary investments total $7¼ millions ($6.4 millions). Refundable tax now stands at $1.1 millions ($432,652). Among liabilities the principal change was the reduction of funded debt to $79.0 millions ($82,159,000).

Power purchased and produced last year amounted to 7,343 million kw. hours, the highest figure in the history of the company, and comparing with 7,314 million kw. hours in 1942.

Equitable Life

Business in force up $1.8 millions.
Total assets up to $14.6 millions.
Surplus reaches $718,940.

(Last year's figures bracketed).

Total business in force with the Equitable Life Insurance Co. of Canada on Dec. 31, 1943, totalled $45.8 millions, according to the report presented by M. J. Smith, president and general manager, at the annual meeting in Waterloo this week.

Total income was $1.9 millions, about $24,000 lower, while policy payments were $660,143 ($754,645). Of the total policy payments in 1943, death claims accounted for $301,232. Surrendered and lapsed policies, Mr. Smith stated, were at a low point.

Total assets were up $724,283. Mr. Smith stated these had been valued conservatively, with adequate reserves being set up as in the case of real estate and mortgages. Bonds and debentures were taken into the statement at over $300,000 below market values.

Surplus was increased by $60,434 to $718,040 and unallotted investment and contingency reserves were raised by $25,000 to $450,000.

Victory Loan subscriptions during the year were $1.2 millions. Reserves to secure payment of policies were increased by $554,149 and stand at almost $12.5 millions.

Comparative figures follow:

	1943 $	1942 $
Business in force	45,869,871	44,045,418
Assets	14,618,565	13,894,282
Policy & ann. res.	12,484,898	11,930,740
Inv. & cont. res.	450,000	425,000
Surplus	718,940	658,506
Total income	1,976,341	2,008,447
Total disbursements	1,235,268	1,314,659
Excess inc. over disbursements	741,073	693,788
Policy payments	660,143	754,645
Interest earned	5.2%	5.1%

Mutual of Canada

Insurance in Force up $41.5 millions.

New business issued $63.3 millions.
Total assets rise $15.5 millions.

Business in force with the Mutual Life Assurance Co. of Canada on Dec. 31, 1943 was over $680 millions according to the annual report for the year. New business issued was up $1.4 millions and total receipts also were higher. Premium income and consideration for annuities were up more than $1.1 millions.

Despite the fact that investments in low yielding government securities showed a rapid proportionate increase in relation to other assets income from rents, dividends and interest increased $573,622. This satisfactory increase was due, W. H. Somerville, vice-president and general manager, states in his remarks, mainly to considerably better collections received on farm accounts in western Canada.

The rate of interest earned on invested assets at 4.56% was little different from the 4.57% earned in the previous year. Mr. Somerville notes that the rate earned is better than might have been expected and is due in considerable measure to the recovery of interest previously reserved. Loans to policyholders are the lowest since 1929 Mr. Somerville stated.

The company is now entering its 75th year. Louis L. Lang, president, in his address at the annual meeting, stated that since organization it had paid out almost $300 millions to policyholders and beneficiaries. In recent years about 35% of all new business had been bought by existing policyholders he stated.

Important items from the statement follow.

	1943 $	1942 $
Business in force	680,026,296	638,526,459
Business issued	63,366,773	61,954,675
Total receipts	35,417,458	32,933,491
Premiums, etc.	20,075,652	18,921,874
Int., divds.	9,872,540	9,298,918
Pol. funds left with co.	4,464,338	3,740,450
Policy payments	13,369,092	14,179,737
Death & dis.	5,241,248	5,353,686
Matured endows. & surrenders	4,420,111	4,870,329
Surplus earnings	5,212,876	4,755,887
Surplus forward	12,038,703	11,246,145
Policy reserves	178,751,447	169,071,327
Total assets	235,191,289	219,699,633
Dom. bonds	102,609,652	78,626,037
Other bonds	59,440,724	63,287,447
Stocks	8,937,287	9,077,272
Mortgages	34,540,071	36,802,144
Interest earned	4.56%	4.57%

Mutual Benefit

The Mutual Benefit Health and Accident Association reports premium income in Canada in 1943 in excess of $2 millions, an increase of more than $400,000 over 1942. It is also stated the association as a whole will show a premium income for 1943 of almost $33.4 millions, or a gain of more than $6.2 millions over 1942.

The association claims to be the largest exclusive underwriter of sickness and accident insurance in the world having pioneered in the field for 35 years. Its deposit with the Dominion Government on Dec. 31, 1943, was $1,325,000 for the sole protection of policyholders in Canada.

Low Water Hits Income East Kootenay Power

Higher gross earnings reported by East Kootenay Power Co. for last December were more than offset by an increase in operating expenditures. Gross income was up $4,965 over December, 1942, but operating expenses advanced $15,111 due to the low water conditions and the necessity of using the steam plant.

Comparative returns for December, 1943 and 1942, together with accumulative accounts for the nine months ended Dec. 31 follow:

December	1943	1942
Gross earnings	$63,945	$58,980
Oper. expenses	38,865	23,754
Net earnings	$25,080	$35,226
Nine Months Ended Dec. 31		
Gross earnings	$571,211	$566,881
Oper. expenses	236,042	221,471
Net earnings	$335,169	$345,410

Note: Operating expenses do not include income and excess profit taxes.

DIVIDEND NOTICES

Borden's

COMMON DIVIDEND
No. 136

An interim dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable March 1, 1944, to stockholders of record at the close of business February 15, 1944. Checks will be mailed.

The Borden Company
E. L. NOETZEL, *Treasurer*

Sullivan Consolidated Mines, Limited

Dividend No. 19

Notice is hereby given that a dividend of three cents per share on the issued capital stock of the company has been declared, payable March 15th, 1944, to shareholders of record at the close of business February 15th, 1944.

By order of the Board.

A. ARCHAMBAULT,
Sec.-Treasurer.

Montreal, Que.
February 1st, 1944.

CANADA WIRE & CABLE COMPANY

DIVIDEND NOTICES

PREFERRED DIVIDEND NO. 60

TAKE NOTICE that the regular quarterly Dividend of $1.625 per share, on the outstanding Preferred Stock of the Company for the three months' period ended 29th February, 1944, has been declared as Dividend No. 60, payable 15th March, 1944, to Shareholders of record at the close of business 29th February, 1944.

CLASS "A" DIVIDEND NO. 34

ALSO TAKE NOTICE that a Dividend of $1.00 per share on the outstanding Class "A" Common Shares of the Company has been declared as Dividend No. 34, payable 15th March, 1944, to Shareholders of record at the close of business 29th February, 1944.

CLASS "B" DIVIDEND NO. 24

ALSO TAKE NOTICE that an Interim Dividend of 25 cents per share on the outstanding Class "B" Common Shares of the Company has been declared as Dividend No. 24, payable 15th March, 1944, to Shareholders of record at the close of business 29th February, 1944

By Order of the Board.

A. I. SIMMONS,
Secretary.

Toronto, 4th February, 1944.

On the Question Last Week

In making a last minute correction last week Jean François Pouliot, M.P., well-known member of parliament for Temiscouata, Que., was credited with Mrs. Adelaide Plumptre's opinion, as well as his own, on the question of using a national lottery to boost the sale of Victory Bonds. The replies as properly credited are republished below:

Mrs. Adelaide Plumptre

Former Toronto alderman, now supervisor of the Prisoners of War Bureau, Ottawa.

I would greatly regret departure from the present successful method of selling Victory Bonds which has provided Canadians with opportunities for voluntary contributions to the national war effort. I regard the principle of supporting the government policy by lottery as unsound financially, contrary to the spirit of existing legislation, and morally undesirable as substituting speculation for thrift and foresight and making victory depend upon chance.

Jean François Pouliot

Independent Liberal M.P. for Temiscouata, Rivière du Loup, P.Q.

As we are a race of gamblers and hard drinkers, let us have a national lottery today and more and better liquors.

• • •

EDITOR'S NOTE—And as further opinion Mrs. Plumptre replies to our wire of regrets as follows: "I realize that mistakes will sometimes happen in the best-organized publications, and in this case I am not disposed to complain: I feel it is lucky for me that you attributed my opinions to Mons. Pouliot and did not make me responsible for his."

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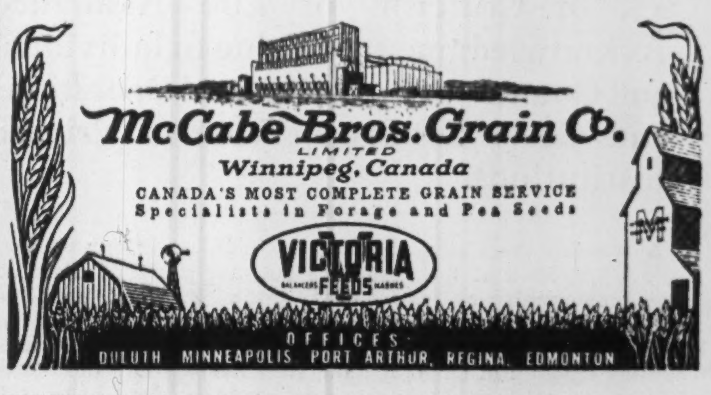

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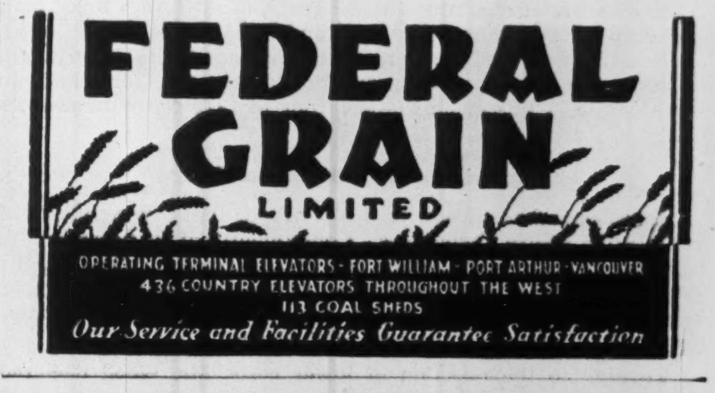

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State Life Insurance Not a Success

Where there is Freedom of Action and Open Competition the People's Choice is with the Private Companies, says Arthur B. Wood, President and Managing Director, at the Annual Meeting of the Sun Life Assurance Company of Canada.

Public Approve Present System

Lack of Criticism of Life Assurance Acknowledgment of Value to Individual and Community—Analysis of Operations and Costs Confirms Value of Private Institutions.

Answering the claim advanced by political reformers that the existing form of life assurance business could be operated more economically by government, Arthur B. Wood, president and managing director of the Sun Life Assurance Company of Canada, told the annual meeting that the experience of State-operated schemes in Great Britain, New Zealand and the States of Massachusetts and Wisconsin was far from being successful. After 64 years of effort the British Post Office Savings Bank plan had only 12,000 contracts in force and in 1928 was discontinued. In New Zealand and Massachusetts, he added, the government business has only a small proportion of the total assurance in force, while in Wisconsin the governor in 1919 recommended its discontinuance.

Experience Tells Different Story

Experience has shown, said Mr. Wood, that few people will voluntarily assure their lives. Consequently it is necessary to have the agency system which has, on this continent, created the great majority of the population into either policyholders or beneficiaries, a situation which has never been remotely approached in any other country of the world.

Turning to the question of lower costs, Mr. Wood declared that interest is a most important factor in its effect on the cost of insurance. In a government scheme the funds would presumably be invested in government bonds. On the other hand, private companies under normal conditions invest in a wide diversification of securities. Consequently they are able to secure a higher rate of interest on the average than the yield on government bonds. An additional interest earning power of 1%, he added, would offset a difference of 10% in premium rates. This would be more than sufficient to cover the remuneration of agents.

Record Year of Progress

Referring to operations of the company for the past year, Mr. Wood reported that the volume of new business secured totalled $214,292,000, an increase of $13,055,000 over the preceding year. There was a net increase of assurance in force of $129,508,000, bringing the total to $3,173,417,000 distributed as follows: Canada, 31%; United States, 42%; Great Britain and other British countries, 21%, and other countries, 6%.

Payments to Sun Life policyholders in 1943 amounted to $74,057,000, bringing the total of such payments since inception of the company to $1,629,863,000. Assets increased during the year to $1,108,459,000. In their investment, Mr. Wood said, the principle of broad diversification has been observed as far as present day conditions permit. Naturally the proportion of government bonds has increased substantially. Over the year holdings of government bonds of the Allied Nations increased by $106,406,000 and now aggregate in value $425,073,000. Since the outbreak of war the increase is $252,713,000.

Further the National Interest

In addition to furtherance of the war effort through purchase of government bonds, Mr. Wood pointed out that life assurance is also rendering material aid to the government, indirectly, in its fight against the forces of inflation. Persuading people to invest their surplus income in life insurance rather than spend it unwisely, he continued, serves as an important factor in reducing spending power and in preventing prices from rising. At the same time, policyholders are building up a fund for future use when it may be greatly needed.

While the immediate tasks of war are the first claim upon the energies of all, much attention is being focused on the postwar era. The institution of life insurance, in looking to the future, declared Mr. Wood, has confidence in its ability to adapt its services to the needs of the times and to continue to make its contribution to human welfare and happiness.

Sun Life Reports . . .

New life assurance policies paid for during the year numbered 58,214 for an amount of $214,292,080, of which $57,500 was reinsured.

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New annuity contracts paid for numbered 2,123, and provide for immediate annual payments of $335,548, and deferred annual payments, to commence at fixed retirement ages, of $1,198,851.

• • •

Life assurance in force at December 31st amounted to $3,173,417,467, represented by 925,527 individual policies and 405,105 certificates of assurance on the lives of employees of firms and corporations under the group plan; of this amount $33,074,014 was reinsured.

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Individual annuity contracts in force numbered 38,237, and in addition retirement benefits for 40,199 employees are provided for under group annuity plans. Current annual payments under these contracts amount to $10,242,722, and deferred annual payments to $26,551,892.

• • •

Premiums paid by policyholders amounted to $112,145,761. The income derived from investments amounted to $38,597,904. The total receipts for the year from all sources were $174,264,806. The total disbursements were $103,195,085.

• • •

Payments to policyholders and beneficiaries during the year amounted to $74,057,495, of which $10,185,040 was in respect of dividends on participating policies.

• • •

The total payments to policyholders and beneficiaries since organization amount to $1,629,863,441.

• • •

The rate of interest earned on the invested assets was 3.72 per cent.

• • •

Surplus earnings for the year from normal insurance operations amounted to $21,383,670. In addition a profit of $5,462,821 was realized from the sale of securities and from exchange transactions. After making provision for dividends in accordance with the basis in force, the balance has been applied to the further strengthening of reserves and writing down of values at which the assets are carried.

• • •

The reserve for contingencies has been increased by $2,000,000, and now amounts to $18,500,000.

• • •

The surplus over all liabilities, capital stock account, and contingency reserve, amounts to $18,118,207.

• • •

One thousand and twenty-four members of the Company's staff and Field Force have enlisted in the service of the Empire and its Allies. It is with sincere regret that your Directors report that twenty-two members of the Company Organization have been killed on active service or through enemy action, while five are reported as missing and ten as prisoners of war.

Mr. Wood's address follows:

Our report for the year 1943, the fourth complete year of operating under war conditions, will, I am sure, be very gratifying to our policyholders as well as of interest to the public at large.

Present day happenings make it desirable that the public be again reminded of the fundamental principles of life assurance. It is a vast co-operative undertaking conducted in the interests of the policyholders. The premiums paid by policyholders go into a common fund operated for their mutual benefit, and it is out of this fund that policy obligations are paid as they become due. The profits resulting from successful management, apart from a very small shareholders' interest, go entirely to the policyholders. Each individual policyholder has an interest in the common fund, the extent of which is evidenced by the particular form of contract he holds.

Acts As Trustee

The relationship between a Company and its policyholders is in the nature of a trusteeship under which the Company agrees to carry out its obligations with the money entrusted to its care.

The assets of a life assurance company represent the funds accumulated from the premiums paid by the policyholders. It is the responsibility of the company so to manage these funds as to ensure the faithful carrying out of every obligation, and to endeavour to furnish life assurance at as low a cost as possible through the distribution of the profits realized. The Insurance Laws provide ample safeguards to protect the interests of the policyholders and to assure sound administration.

I will now proceed to discuss in some detail the chief items of the Report, and, in doing so, I will offer certain observations and explanations which I hope will prove informative.

New Business Gains

The volume of new business secured during 1943, $214,292,000, represents an increase of $13,055,000 over that of the preceding year. This splendid result is a tribute to all members of our Agency Organization for wartime conditions have presented unusual difficulties to them.

The assurances in force increased by $129,508,000 to $3,173,417,000. The distribution of the business in force according to broad territorial divisions is as follows: Canada 31%; United States 42%; Great Britain and other British countries 21%; other countries 6%.

Success In Conservation

This record achievement is to be attributed largely to favourable economic conditions, but it also reflects the success of the Company's efforts in the conservation of business. One of the most difficult problems of the life companies is the prevention of the lapse and surrender of policies. I doubt if there is any problem to which more thoughtful study has been devoted. Nevertheless misconceptions exist in some quarters as to the attitude of the companies towards the conservation of business, and statements have been made which to say the least are incorrect and misleading. Let us consider briefly the real facts.

The document which we call a life assurance policy is a unique contract in this respect that while one party, the company, must adhere faithfully to its agreement, the other party, the policyholder, can break his undertaking to pay premiums at any time he so desires. Lapses and surrenders, therefore, result from the voluntary act of policyholders in spite of every effort by the companies to persuade them to keep their policies in good standing. No more unfair and unwarranted charge could be laid against the business of life assurance than the assertion sometimes made that the companies make huge profits from lapsed policies, the inference being that lapses are encouraged by them. The fact is that loss results to both company and policyholder.

The main expense involved in furnishing life assurance service to the public arises at the inception of the contract. The agent must be paid for the time and labour he has expended, the medical examiner also must receive his fee, and the overhead expenses connected with the underwriting and other departments, as also the cost of insurance for the first year, must be provided for. These initial expenses, it is expected, will be recouped out of the expense margins in future years' premiums, and they will be recovered only if the policy is continued in force. Bear in mind that a life assurance policy is a long term contract intended to be continued to its natural completion. No company soundly administered would issue a whole life, or an endowment policy, if it knew in advance that it was not the intention of the assured to continue it in force beyond a year or two. Every lapsed policy means that the company has been put to much trouble and expense. No profit results to anyone, and the policyholder will have paid a high cost for his assurance protection. Even if it were true that lapses resulted in large profits, this would simply mean that larger dividends to continuing policyholders would be paid and the cost of insurance reduced accordingly, since the policyholders receive the major portion of all profits distributed—in the case of our Company 97½%.

Experience With Lapses

Lapses and surrenders are attributable in some cases to indifference on the part of unthrifty policyholders, but more frequently to their changed financial condition. Experience shows clearly that the lapse ratio rises during periods of depression and falls during periods of general prosperity.

Wrong deductions are sometimes drawn from statements in which cancellations from all causes are included in one total without allowing for natural terminations. Last year, of the total cancellations in our Ordinary Branch, 47% terminated automatically by death, maturity, or expiry, the policies having fulfilled their functions. Cash surrenders accounted for 35% of the cancellations, and of these a considerable number were policies that had been many years in force, when the need for assurance protection presumably was no longer considered of major importance. Many others were surrendered for financial reasons, for oftentimes a man's life assurance policy is the only asset of value he possesses, and one of the important services of life assurance is that the cash value is available in times of great need. The average cash payment under policies surrendered was $716. Of the total cancellations only 18% terminated by lapse. The amount so cancelled was less than 1% of the total ordinary assurance in force.

Receipts from both premiums and interest increased substantially, following naturally the increases in assurances in force and assets. Payments to policyholders amounted to $74,057,000, bringing the total of such payments since the inception of the Company up to $1,629,863,000. Particularly worthy of note is the relatively small disbursement under the item "surrender values," the total being 30% less than in the previous year.

Over Billion In Assets

The assets increased during the year by $61,496,000, and now amount to the impressive sum of $1,108,459,000. In their investment, the principle of broad diversification has been observed as far as present day conditions permit, but naturally the field for investment has been greatly restricted by war conditions. The proportion of Government Bonds has increased substantially, due to the Company's policy of applying all funds available for investment to the purchase of bonds of Canada, the United States and Great Britain, and other allied countries in which we operate. During the year, our holdings of Government Bonds of the Allied Nations increased by $106,406,000, and now total $425,073,000. Since the outbreak of war the increase is $252,713,000. The distribution of the assets according to class of investment is as follows: Government Bonds 39.6%; Municipal Bonds 4.6%; Industrial Bonds 4.3%; Railroad Bonds 2.1%; Public Utility Bonds 16.3%; Preferred and Guaranteed Stocks 1.4%; Common Stocks of Industrial and Financial Corporations 8.4%; Common Stocks of Public Utilities 7.0%; Mortgages 4.3%; Real Estate 1.7%; Policy Loans 6.3%; Cash 1.3%. Other miscellaneous 2.7%.

Mortality Rate Favourable

A favourable mortality has again been experienced. There has been a reduction in the death rate amongst policyholders generally, the improvement being more than sufficient to offset war claims which were heavier than in the preceding year. The total claims from all causes, including war claims, were only 52.1% of the amount provided to meet death losses.

Since the outbreak of the war no less than 1,668 deaths attributable directly or indirectly to the war have been reported amongst our policyholders, and these have involved death claims totalling $3,818,411. While this is a substantial sum, it is nevertheless small in relation to the total death claims incurred during the same period, namely, $110,288,000. War claims have amounted to only 3.5% of total claims incurred. A substantial reserve is being maintained as a provision for possible war claims not yet reported. The classification of war claims according to the nature of the casualty which caused the death is as follows:

WAR CLAIMS EXPERIENCE

SEPTEMBER, 1939, TO DECEMBER 31, 1943

	Number	Amount
Deaths in the Armed Forces:		
Resulting from:		
Enemy Action at Sea	209	$ 615,191
Enemy Action other than at Sea	827	1,565,013
Accidents while on duty	325	758,054
Total	1,361	$2,938,258
Deaths of Civilians:		
Resulting from:		
Enemy Action at Sea	153	$ 500,359
Air Raids and Other Enemy Action	128	297,927
Accidents associated with War	26	81,867
Total	307	$ 880,153
Grand Total	1,668	$3,818,411

The effect of the general decline in interest rates in recent years continues to be accentuated by the general policy already referred to of investing all available funds in Government Bonds. Following this policy, the proceeds of our Canadian business are being invested in Canadian Government Bonds; of our United States business in Bonds of the United States; and of our British business in Bonds of the United Kingdom. These yield only 3%, 2½% and 3% interest respectively. Under these circumstances, a gradual decline in the average rates of interest earned on total assets naturally follows. This situation, however, is not peculiar to our Company for the same policy is being followed by the life companies generally. The gross rate earned on our total assets in 1943 was 3.72% as compared with 3.85% in 1942.

Keep Down Expenses

All possible economies are being effected and we have been successful in preventing the ratio of expenses to premiums from increasing notwithstanding certain increased costs of operation which cannot be avoided or controlled.

Substantial surplus earnings were realized during the year from the sale or maturity of ledger assets, and from exchange transactions. The surplus arising from these sources was $5,462,821, all of which has been applied to write down the book value of assets. The surplus arising from normal operations amounted to $21,383,670, which is $702,935 larger than the earnings of the preceding year. This has been applied as follows:

The sum of $8,812,614 was required for the distribution of dividends on the existing scale. The sum of $5,650,000 was applied to increase various reserves, $2,000,000 has been added to the Contingency Reserve, and the balance has been applied to the writing down of values at which assets are carried in the accounts. The Surplus and Contingency Reserve combined now amount to $36,618,000.

Excellent Staff Work

The service of the Company's staff during the past year merits the highest praise. Both at Head Office and in the Branches, the inevitable strain of wartime has made severe inroads into our staff personnel, with consequent increase of responsibilities devolving upon those who remain. These additional labours have been willingly and cheerfully borne, and the thanks not only of the management but of all those who benefit by the broad services of life insurance are due to the members of our staff whose duties behind the scenes have been so admirably discharged. More than one thousand members of our Organization are serving in the Armed Forces of the United Nations, and it is with deep regret that we have to report that in the discharge of their duties to their country, twenty-two have made the supreme sacrifice. Our heartfelt sympathy is extended to the families and friends of all who have thus been bereaved.

It is with profound regret that we record the death during the year of one of our esteemed directors, Sir Edward W. Beatty, G.B.E., an outstanding citizen and business leader, and a great Canadian. Sir Edward was a member of our Board of Directors for more than twelve years, and his wide experience and sound judgment enabled him to make an invaluable contribution to the conduct of the Company's affairs and the deliberations of its Board.

Evidence Of Progress

This report upon the Company's activities in 1943 gives ample evidence of continued progress. In the face of exceptional conditions, both business and assets have increased, and substantial additions have been made to various reserve funds to further safeguard policyholders' interests. The experience during the war years has again served to demonstrate the ability of life assurance to adjust its practices and methods of operation promptly to meet the requirements of the times.

The past record of Canadian life assurance is one to which we can point with reasonable pride. Within the past half-century it has developed to the point where the great majority of the population enjoy its benefits either as policyholders or beneficiaries, and the value of its services to the individual and the community is well recognized. It is timely to direct attention to some of the factors that have been responsible for this achievement.

Insurance Laws Efficient

Credit must be given primarily to Management, and the popularity the business enjoys is the best evidence of sound administration in the interests of policyholders. Coupled with this must be mentioned the efficiency of the insurance laws and their wise administration. It is safe to say that no other business is so constantly supervised by government officials and obliged to make public in its detailed returns to the Government and through the inspection of its books and records its innermost workings. Due to the efficiency of management and supervision, life insurance companies licensed by the Dominion have an unblemished record in meeting the guarantees under all policies ever issued.

Within the limitations of the insurance laws, the companies enjoy complete freedom of action, and perhaps the most important factor responsible for the development and expansion of life assurance has been the keen and healthy competition between the companies. There are fifty-five companies now operating in Canada, of which twenty-eight are Canadian and twenty-seven British and American. Home companies enjoy no special privileges, but all have equal opportunities. Competition has brought great benefits to the public. It has led to the liberalization of policy contracts, the introduction of new privileges and benefits, and a lower cost of insurance, while the agency system has been responsible for the broad extension of life assurance and the expansion of its services. The public have complete freedom of choice as to the company they insure with, as well as in the selection of a policy plan. These facts should be sufficient to dispel any idea that the business of life assurance has any of the characteristics of a monopoly. No more keenly competitive business can be conceived.

Furthers War Effort

Life Assurance has made an important contribution to the war effort. The life companies operating in Canada last year subscribed $335,000,000 to the Victory Loans, an amount in excess of the total premiums received from Canadian policyholders. Since the outbreak of war, such investments have totalled $785,000,000, the equivalent of $200 invested on behalf of each of the 4,000,000 policyholders in Canada. Similar figures are not available for the United States or Great Britain, but in these countries, the contributions of the life assurance companies have been on a comparable scale.

Life assurance is also rendering material aid to the Government, indirectly, in its fight against the forces of inflation. Persuading people to invest their surplus income in life assurance rather than spend it unwisely, serves as an important factor in reducing spending power and in preventing prices from rising. At the same time, policyholders are building up a fund for future use when it may be greatly needed.

While the immediate tasks of war are the first claim upon the energies of all, much attention is being focused on the post-war era. The institution of life assurance, in looking to the future, has confidence in its ability to adapt its services to the needs of the times and to continue to make its contribution to human welfare and happiness.

Takes Up Challenge

My remarks thus far have been intended for the information of our policyholders generally. I would now like to address a few words expressly to our Canadian policyholders.

In recent years, largely due to the disturbing effects of war conditions and the attention now being devoted to post-war problems, there has arisen in Canada a group of persons who may be described as political reformers, whose avowed aim is to abolish the existing economic system and replace it by a socialistic state. The aims and objects of these people as enunciated in their writings and public utterances, are the ultimate domination by the Government of every aspect of our economic life. Such domination would not be limited to the taking over of large financial and business corporations, but would eventually be extended to embrace even agriculture and labour. The farmer and worker, therefore, have reason to be as deeply concerned with these proposed reforms as the business man.

I shall confine my remarks to their proposal that the business of life assurance should be operated by the Government. No criticism has been made of life assurance itself. Apparently its value to the individual and to the community is recognized and admitted. The claim advanced by these people is that the business would be operated more economically and the cost of life assurance reduced. To accomplish this they would first of all abolish the agency system, on the ground that the employment of agents involves unnecessary expense, and that this would be avoided under governmental operation. In answer to this criticism, it can easily be demonstrated that the agent performs a necessary and essential service, and that without agents the volume of life assurance would dwindle to insignificant proportions. Experience throughout the years has clearly shown that few people will voluntarily assure their lives. All attempts to sell life assurance over the counter, by mail or by advertising alone have either failed completely or been only moderately successful.

Tribute To Agency System

On the Continent of America, the great majority of the total population are either policyholders or beneficiaries, a situation which has never been remotely approached in any other country in the world. This outstanding record is to be attributed to the agency system which had its origin and development on this Continent. Life assurance agents today receive a thorough education and training and are well qualified to give advice and guidance to the individual. The procedure is to make a careful study of each person's family situation and financial condition and to recommend the plan of assurance best suited to his needs. The policyholder is advised to regard his life assurance premium as an essential item of expense, ranking in his budget with such other items as rent, food and clothing.

State Assurance Not New

State operation of life assurance is not new. It has been tried many times in different countries. In Great Britain, the British Post Office Savings Banks plan established in 1864 after 64 years of effort had only 12,000 contracts in force, and in 1928 was discontinued. By contrast, British insurance companies, under weekly premium contracts alone, had over 72,000,000 contracts in force. In the United States, the State of Wisconsin organized a State insurance fund in 1911, but in 1919 the Governor recommended its discontinuance, making the statement that for the fund to succeed it would have to enlist an organization for soliciting business. In the State of Massachusetts, the savings banks have been selling life insurance for more than 30 years, promoting sales by advertising, the employment of field instructors and public addresses before large gatherings. After 30 years of operation they have less than 4% of the total insurance in force in the State.

New Zealand is constantly referred to as the outstanding example of a country where the principles of the socialistic system have been widely put into effect. But although the New Zealand Government has operated an Insurance Department vigorously for over 70 years, it has not attempted to take over the private companies. It has entered the field in competition with them. What is the result? Of the total new business written year by year, the Government Insurance Department secures about 20% and has about the same percentage of the total assurances in force. Eighty per cent is with the private companies. If the Government were able to furnish assurance at a lower cost and supply as good service, should we not expect to find that it had secured the major portion of the business? The conclusion to be drawn is that where there is freedom of action and open competition, the people's choice is with the private companies.

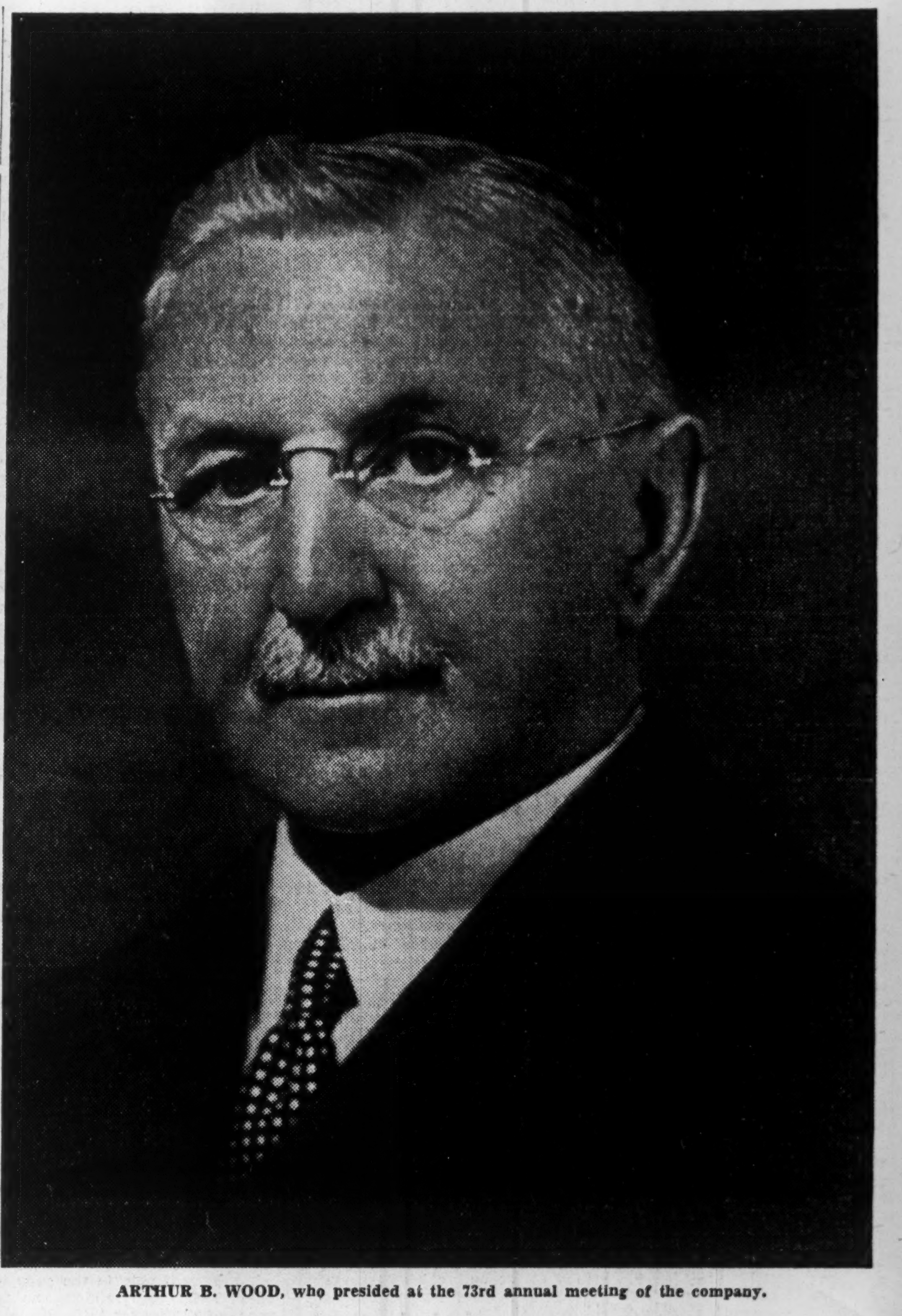
These examples are sufficient to show that if we are to have an adequately insured population a highly trained agency organization is essential.

Interest Rates And Cost

But let us assume for argument that by eliminating agents, expenses would be reduced. Would it necessarily follow that insurance would be furnished at a lower cost? By no means. Interest is a most important factor in its effect on the cost of insurance. In a Government Scheme the funds would presumably be invested in Government Bonds. On the other hand, private companies under normal conditions—present day conditions are abnormal—invest in a wide diversification of securities: mortgages on homes, bonds of industrial, financial and public utility corporations, and other classes of investment, and consequently earn rates of interest higher on the average than the yield on Government Bonds. An additional interest earning power of 1% would offset a difference of 10% in the premium rates, and this would be more than sufficient to cover the remuneration of agents. If the business were conducted under a scheme which would eliminate interest, the Government would find it necessary to charge rates 60% higher than those charged today by the companies.

Any comparison of relative costs in Government operated schemes and private companies would be unfair to the companies unless account were taken of the extent to which Government schemes have been or are being subsidized either directly or indirectly. In Canada we have a striking example in the Canadian Government Annuity Scheme. True its premium rates are lower than those charged by the life assurance companies, but the scheme is not self-supporting. Each year interest at the rate of 4% is credited to the annuity fund, which now exceeds $170,000,000, although on Government Bonds the rate of interest is only 3%. Also a large amount must be transferred from the Consolidated Revenue Fund to the Annuity Branch each year, merely to maintain the reserves which, according to the mortality table adopted by the Government, are necessary to carry out the contracts. During the past 10 years, $11,480,999 has been so transferred. Furthermore, the expenses of operation are not charged against the fund. The extra cost is not paid for by those who purchase annuities at the rates charged by the Government but is borne by the taxpayers of the country as a whole.

And this, it may be assumed, is what would happen under any system of government operation of the life assurance business.



ARTHUR B. WOOD, who presided at the 73rd annual meeting of the company.

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Canadian Mining Industry Meets New Challenge

An Increasing Incentive to Find Further Mines a Major Problem For Early Action

By GORDON M. GRANT

For years Canadians have boasted of the great mineral wealth of this country.

Shareholders, government tax gatherers, and the general public, have shared the immense purchasing power released by the mining industry, Canada's third largest, the output of which reached a peak of $564.2 millions in 1942 and in 1943 totalled $524.4 millions or $50 millions above the pre-war level.

These figures are even more impressive when it is realized they represent but part of the contribution of mining to the Canadian economy. Dr. Scott Turner, the U. S. Bureau of Mines, suggests that for every American engaged directly in mining, 11 others might be regarded as finding employment, directly or indirectly, in refining, fabrication, and distribution of products embodying minerals produced.

Millions Depend on Mining

While Canada is not as highly industrialized as the United States and exports much of her metals in the unfabricated state, this country's mineral output of a half billion dollars a year evidently creates purchasing power far beyond its actual dollar value.

If Dr. Turner is correct in his computations, and if Canada were to process and distribute at home as large a proportion of our mineral output as is the case with the U. S., then 1.3 million Canadians would be directly and indirectly provided with employment by mining.

Many Canadians take Canada's mining industry for granted. Because the industry appears strong and robust today, they seem to believe that it will continue strong and robust. Because we have big mines today, they think we will continue to have big mines.

But a comparison of conditions today with those under which the present stage of growth was reached provides little ground for complacency. The mining industry, perhaps more than any other, requires assiduous attention to be continued in good health.

For "the record," however, it can be said that Canada's mining industry, like Topsy, just grew up.

It wasn't legislated into existence by any government order providing a tariff wall of protection for an infant industry.

Its existence was never fostered by any general system of bonusing such as legislators have provided for other basic industries.

It hasn't benefitted from any general freedom from taxation.

Mining originated in Canada because mineral riches were here. It developed and prospered as an industry because the mineral riches proved no mere "flash in the pan"; because most decades provided conditions favorable for development of new enterprises.

The mining industry was generally regarded to be so rich and affluent that it was not likely to possess any problems, at least not serious problems. With mineral production continuing to grow, it didn't seem that any problems could be of such vital importance to the industry.

But that the industry has its problems today, has become increasingly evident. There were definite signs before the war, but with dramatic suddenness, world conflict has rocketed these problems to the fore, complicated the whole picture, and made the future of the industry contingent, to a large degree, on action taken to meet difficulties presented.

Governments Can Help

With the government an increasingly important factor in business, it is not surprising to learn that many of the problems are basically concerns of governments — federal, provincial and municipal—but that the majority of the problems are federal.

Most of these "problems" embrace one or more of three factors:

1. Steeply increased tax rates.
2. Manpower shortages.
3. Changed character of mining.

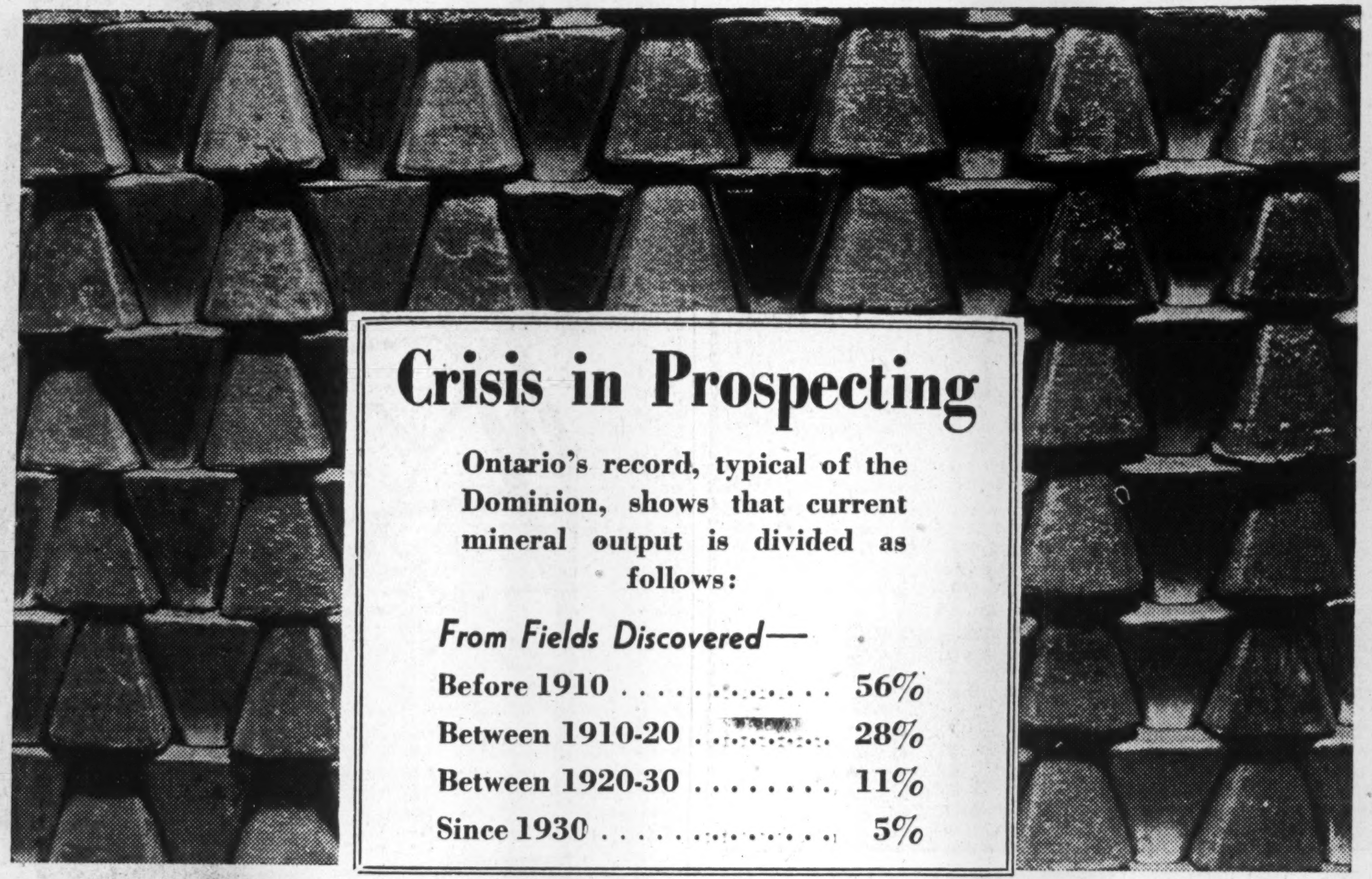
Higher tax rates and shortages of manpower are, of course, concerns of business generally as well as mining. But with mining, effects of taxes and labor shortages can be much more serious, much more permanent, than for business at large.

Take the subject of taxes. When taxation reaches a certain point, it becomes necessary for mining operations to "high grade" ore bodies if a return commensurate with capital investment is to be secured; much lower grade ore may be turned into rock, sometimes permanently.

Effect of high taxes on the search for mines is even more serious.

Before big war debts and heavy taxes, the prospector who "struck it rich" could enjoy his quota of mine earnings as a reward for a life spent in painstaking search under conditions approaching semi-privation. Those that did find the "pot of gold" at the end of the rainbow often used their wealth to good effect financing further projects.

But there is a radical change in conditions today. Corporation and excess profits taxes now take almost half the profit. Incentive to find mines has been similarly reduced. While a three-year exemption from EPT can be secured on new strategic mineral finds, the greatest immediate stress on these minerals is past and prospectors would like to hunt for gold on which there is no EPT or corporation tax exemption.



Crisis in Prospecting

Ontario's record, typical of the Dominion, shows that current mineral output is divided as follows:

From Fields Discovered—

Before 1910	**56%**
Between 1910-20	**28%**
Between 1920-30	**11%**
Since 1930	**5%**

While corporation tax and EPT have perhaps reduced mine-finding incentive by half, the personal income tax which removes 40% or more from most people's dividend distributions, may be considered as cutting remaining incentive almost in half again.

Incentive Is Gone

And the incentive to prospect has been reduced in other ways too.

The Canadian Institute of Mining and Metallurgy, Dr. W. F. James, and others, testifying recently before the Ontario Mining Commission, stressed the best of the easily prospected ground has had a going over.

As the CIMM brief expressed it:

"The cream is off prospecting in Ontario."

Other areas in the Dominion have possibly not been as thoroughly investigated as Ontario but it appears that many of even the outlying sectors are rapidly approaching this condition.

If only 10% of a province such as Ontario represents easily prospected-rock outcrops, it is possible that only 10% of the mines have been found—that 90% are still to be discovered.

But much greater effort, and much greater expense are going to be entailed to find these further mines. It is going to require, among other things, a large amount of diamond drill testing of extensions of known mineral areas, investigation of implied geological relationships.

Prospecting in the future is thus going to be much more expensive barring some major favorable development in the way of prospecting technique or equipment. Refinements of geophysical methods may eventually provide a full answer but they haven't yet.

While total Dominion mineral production continues higher than prior to the war — $524.4 millions in 1943 against $474.6 millions in 1939 — the wartime peak of $564.2 millions, set in 1942, remains unchallenged and signs are increasing that mining has problems requiring government attention and action.

Much of the long-term "trouble" links in with the decline in prospecting which may be attributed, in part, to decline in the number of remaining areas which have not been prospected, and to the part taxes play.

What should be done is a question which is engaging the attention of some of the best brains in mining and government circles. In an accompanying article The Financial Post outlines the problem — and some of the suggestions advanced for its solution.

Thus the prospector faces a situation where not only has the incentive to find ore bodies been substantially reduced but where adequate capital to find ore bodies may be difficult to secure.

When a manufacturing business is established, it usually is able to continue in operation as long as orders roll in. But a mining industry is entirely dependent on replacement of old ore bodies by new. While technological advances, metallurgical discoveries and purely scientific researches can serve to lengthen the life of known deposits as to make some of those presently regarded as too low grade of economic value for the future, the essential of a continuing healthy industry is the finding of new mines.

And it is a Canadian problem to determine how this is to be done.

Adjustment of taxation has already been suggested. The Ontario Mining Commission has recommended an increase in the allowance for depletion to 50% for mining company and shareholder alike. This would have the effect of reducing taxes collected by the Dominion Government from mining companies and their shareholders by approximately 28%, it is estimated. But even this allowance, if it is granted, does not appear likely to be a cure-all for the problem of providing incentive for prospectors.

If future prospecting is to require a greater expenditure of money for stripping of showings and diamond drilling than in the past, it is obvious that mining finance companies and established producers, who know the business of mining, will have to provide a large part of it. Some quarters have claimed that established companies in recent years have been reluctant to carry on "spade work prospecting" apparently preferring to enter the mine development picture after a certain degree of success had been attained by the individual operating on his own.

This charge may have possessed some degree of truth, in some instances at least, but there has apparently been good reasoning behind the policy pursued by these parties. Many of the mining finance companies know from experience the long odds the prospector faces in trying to find a new deposit. To the mining finance companies, it simply hasn't been very good business to carry on prospecting especially with the incentive reduced by taxation as pointed out above.

Taxes have troubled in another way too. Established producers have, in many cases, only been allowed prospecting expenditures as "expense" where properties were contiguous to their own mines. Even though work was done and a property proves a "dud," the expense couldn't be counted as expense for Dominion tax purposes except to a limited extent in the case of strategic minerals.

New Methods Scanned

With Soviet Russia reporting wonderful success for large-scale prospecting efforts embracing 10,000 parties of prospectors in the field, even more conservative elements in the mining finance business have been suggesting some new departure may be desirable in this country to restore prospecting to the level where we can maintain and augment our mineral production.

British Columbia has already assisted in "grub staking" prospectors indicating that the problem is not entirely escaping government attention.

Bonuses have been paid by the United States Metals Reserve Co. to secure needed output of nonferrous metals and it has been suggested that the relatively non-profitable business of early stage prospecting may eventually have to be assisted by some form of subsidy as distasteful as the term subsidy is to an industry which has prided itself on its independence and strength.

But there are ways, aside from financial changes and reform, in which governments can help the finding of new mines. As explained elsewhere in this issue, valuable suggestions were made to the Ontario Mining Commission on the importance of more intensive and complete geologizing, on the advantages of having resident geologists in various areas to assist and direct efforts of prospectors.

Proposals were also made that diamond drill cores be stored at a central depot under government supervision in order that geological information on various areas might be correlated for a better understanding of what our north country looks like below its mantle of overburden.

It was suggested to the Ontario Mining Commission that even surveyors can get "lost" in northern Ontario. Township lines, blazed decades ago, are often difficult to find today due to new growth, forest fires, etc. A reblazing of old lines and better and more accurate maps would be a real assistance to the prospector, it was suggested. The Ontario Mining Association and the Association of Land Surveyors condemned regulations which will permit "blanketing" of a mining area by people who aren't prospectors at all. Ontario and other provinces might gain something by adopting the Quebec system of staking and recording of claims, it was thought.

Educating the Prospector

Education of prospectors is something that seems likely to secure a renewed emphasis. With more obvious deposits found, a more specialized knowledge on the part of the prospector is considered desirable for finding of further mines.

So much for the "forgotten man," the prospector. His problems—and they are real problems—are getting some of the attention they deserved years ago. Whether they will be met and solved remains to be seen. It appears doubtful if income tax exemptions can, by themselves, provide an adequate answer to the problem of getting men into prospecting.

If conditions in the prospecting industry can be made more favorable, mining men consider that a large number of returned soldiers, could be used to advantage in the search for badly-needed new mines.

Besides turning what would otherwise be ore into rock, in many cases, and removing a good part of the incentive for discovery of new mines, taxes are again the mines' "evil genius" when it comes to the labor shortage.

Under war conditions, neither base metals nor gold mines have been able to keep up day-to-day mine exploration and development required to maintain ore positions. Even when labor has been available, it has not always been possible to carry on shaft sinking as work of this type can only be carried on by permit from the Metals Controller.

Accordingly, base metals and golds have tended to "live on their fat," hoping that after the war money and manpower would be available for restoration of mine positions—if mine positions aren't irreparably damaged by war demands and effects.

But, unfortunately, the money normally earmarked for carrying on normal development may not be available after the war when most needed. Since development expense money isn't expended immediately, the Dominion Government taxes it as "profit." In other words, part of mines' development expense "revolving fund" has been removed by taxation. Sylvanite and one or two western gold mines have made representations to be allowed to create a development expense reserve to offset this but without result.

Under the present ruling, it appears that a tax is, in effect, being placed on capital.

Labor Shortages

While B. C.'s Zeballos camp has lost all its producers, due entirely to the labor shortage, and Quebec's Cadillac camp has lost all but one of its numerous pre-war producers, and others are similarly hard hit, some criticism has been directed at a recent government action in taking steps to provide perhaps 1,000 men for remaining gold producers dangerously short of men.

Such criticism, however, appears to stem from a misconception of what is at stake.

Gold mining in this country has already undergone drastic curtailment. Over 10,000 gold miners who have enlisted or left to work in war plants have, for the most part, gone unreplaced.

The industry has been left with older and less efficient men.

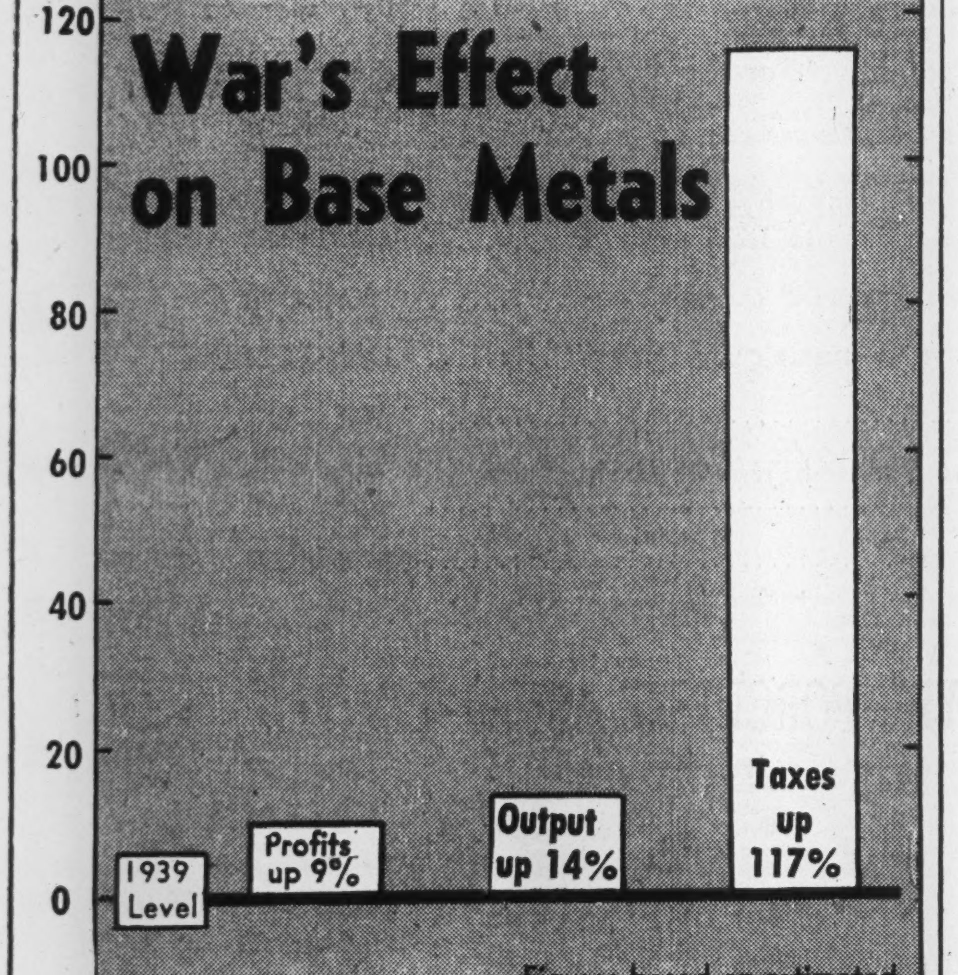
So short had the labor supply become at some important remaining mines that it was doubtful if operations could be continued without a few extra men.

That is why it was decided to release a few men for gold mining—after a careful government survey of the situation.

If some of the larger gold mines had been forced to close, almost as many men would have been required to keep workings in shape for resumption later on. And the country might have had to resort to lend lease as a result of gold mines' closure.

Diversion of 1,000 men, or less,

(Continued on page 30)



Figures based on estimated 1943 results for 10 leading base metal mines.

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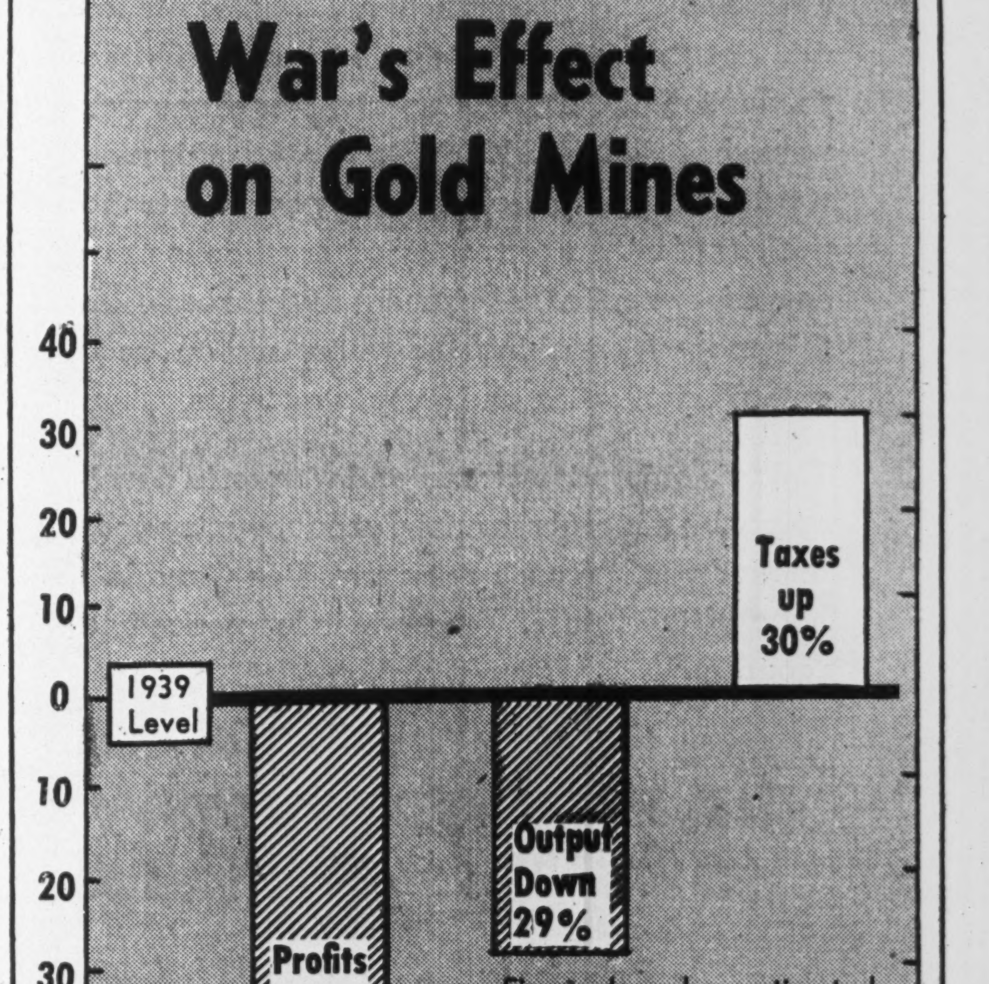
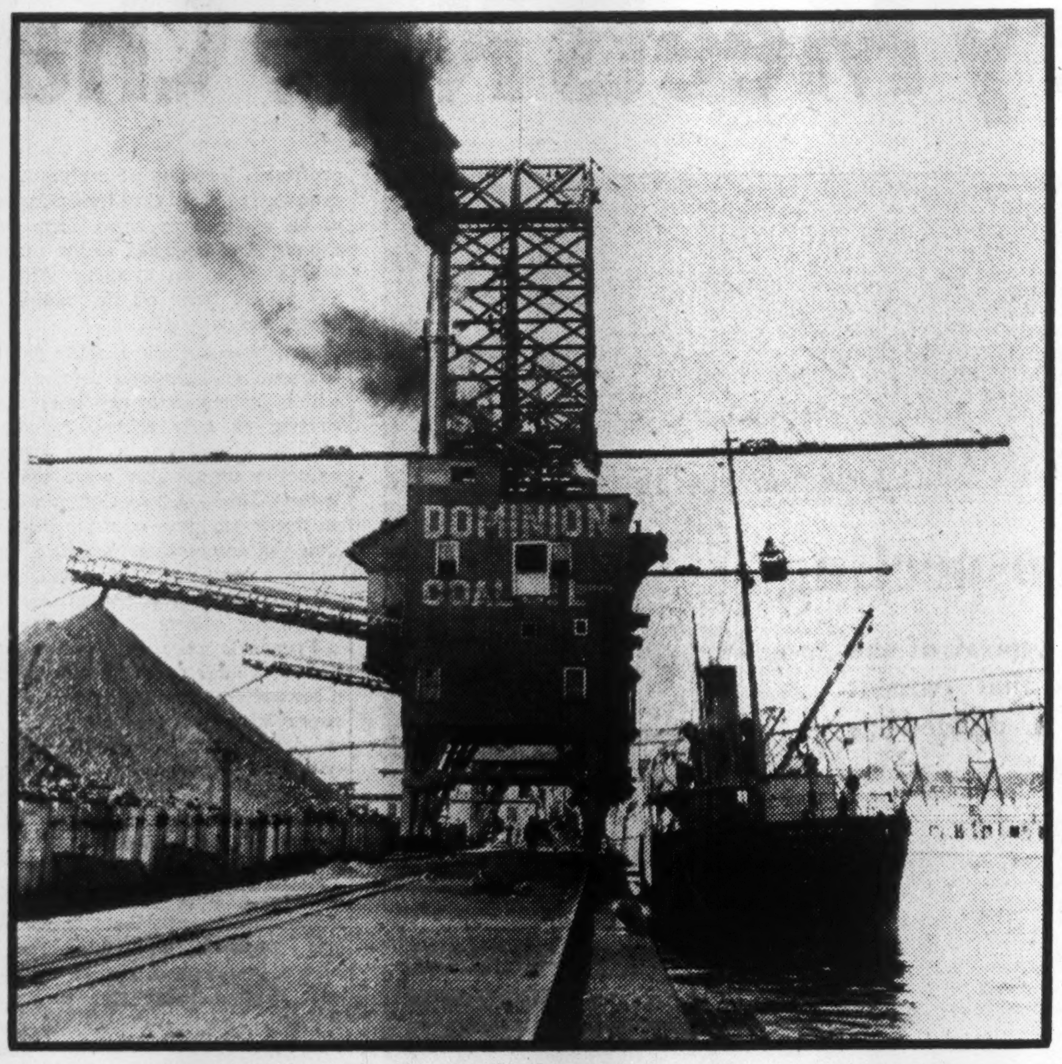


Figures based on estimated 1943 results for 10 leading gold mines.

Peak For Base Metals Output

Troubles Noted But Industry Ready to Meet Changes



Coal from Nova Scotia has been an important factor in the Canadian economy for decades, particularly in war periods such as the present. Possibly the great Nova Scotian reserves of coal will soon take on a new significance. Tests carried out at Ottawa indicate that Nova Scotia coal has a high yield when used to produce synthetic gasoline.

Of Canadian base metal production, The Financial Post a year ago stated:

> **"If the year 1943 doesn't mark the highest level our output of base metals is to reach during this war, it is almost sure to set a new record for Canada."**

Output of the four common base metals—copper, nickel, lead and zinc—at $180.3 millions during 1943 was indeed the highest in Canada's history and from present indications, it may also prove to be the highest of the war.

Set Sights High

When the Axis was still on the rampage and production goals were pointed ever higher, production efforts of Canadian base metal mines were geared to hitherto almost undreamed of goals. Rich ore bodies were laid on the altar of "metals for victory" and mines patriotically established new plants which could mean little, if anything, in the way of extra profit during wartime—plants which might prove only scrap value after hostilities.

Two Problems Present

Today base metal mines have two important "problems." First of all, there is the labor shortage which prevented full capacity of new plants from being fully realized for any extended period. This situation has been corrected somewhat but a second problem is taking its place—a pressing need to catch up on current development.

Needed development may prove a key factor in the entire world base metal picture for some years ahead. Canada is not the only country which has placed production first and welfare of individual mines second in order to turn out required metals.

While the world has been turning out much larger supplies of metal during wartime, it is possible that the general public has an inflated idea of what now represents ordinary production possibilities. With mines curtailing production to catch up on development, output throughout the world may prove on a considerably smaller scale when the war ends.

Instead of there being too much in the way of non-ferrous metals in the world, there may prove to be only an adequate supply. Stocks of metals of the various United Nations countries bulk large, but a large part of these stocks may be held as a strategic war material reserve after the war.

It is too early yet to estimate what will happen the next few years to base metal mining profits. It is conceivable that they may be higher for some companies—but not all.

Huge production has meant nothing to International Nickel Co. of Canada in the way of extra profits when amortization of added plants was met. Only the exceptional mine, such as Hudson Bay Mining & Smelting Co., in the base metal category, has been able to show any important increase in earnings.

After the war, several developments may take place which would undoubtedly be favorable in character:

1. Unit costs may be reduced with a more adequate and more efficient supply of labor available.
2. Some alleviation of taxes is possible with governments already considering action in this regard.
3. Free play of metal prices may mean substantial extra revenue for those large Canadian mines which have been selling their output at the low fixed prices called for under United Kingdom contracts.

Smaller mines, such as Kam-Kotia, developed under high bonus price contracts with the United States Metals Reserve Co., may have to suspend production after the war. Some are almost certain to be closed.

These Have Best Chance

But some of the new base metal mines seem here to stay. Big producers like Golden Manitou, New Calumet and Twin "J" Mines, which have a substantial by-product of gold, appear to stand a better than even chance of continuing to produce in peacetime. They are real assets to Canadian base metal mining.

From the long term standpoint, Canadian base metal mining appears to stand in a strong position. Only to a limited extent, can the new light metals take the place of their heavier non-ferrous companions.

New Uses To Help

Many further uses for base metals have been discovered due to the war. And new applications mean new demands for metals. The world has practically always been able to consume as large a bulk of metals as could readily be turned out.

Metal mining in Canada is a much younger business than in the United States. Canada probably enjoys as low base metal mining costs, on the average, as any other country in the world and hence stands in an excellent place, competitively, to meet postwar conditions. And Canada, despite the requirements of war, still has the all-important ore resources for continued operation.

Base Metal Producers

INTERNATIONAL NICKEL CO.—While earnings of the world's largest producer of nickel and Canada's largest producer of copper are perhaps running below $2 a share per annum for the first time in many years, the intrinsic position of the company hardly appears to warrant the pessimistic attitude which the decline in price of the company's shares suggests investors have been taking.

Inco. may have realized little from the war save extra plant capacity which may be virtually useless unless demand for metals continues at a high level. But working capital is at an all-time high, the company will enter the postwar era with plenty of ore reserves ahead, and the greater efficiency which should be realized in peacetime may quite easily restore earnings to a more satisfactory level, especially when the possibility of lower taxation is considered. For two years following the war, deferred civilian demands may mean continued high demand for metals, possibly at better prices.

HUDSON BAY MINING & SMELTING—This great Manitoba-Saskatchewan producer has had the most impressive wartime earnings record of any of Canada's large base metal producers.

Earnings in 1943 were probably in the neighborhood of $2.90 a share, an all-time high ,and approximately $1 a share greater than the $1.90 of 1939. Even the excess profits tax has

(Continued on page 20)

CANADA'S MINES
CREATE
NEW WEALTH

The wealth that flows from Canada's mines is new wealth. It permeates the country's whole economy, creating new jobs, new products, new business opportunities and a fuller life for all. For instance, in a single year (1940), the production of Canada's metal mines alone was valued at $382,503,012.00. To produce this new wealth, millions of dollars were poured into the pockets of miners as wages; other millions were spent for supplies, equipment and taxes — all this money enriching the entire nation as it entered circulation and stimulated trade.

The free enterprise of men and women in developing the mineral resources of our country does this for you. In such enterprise lies Canada's hope of the future. Preserve it for peacetime progress.

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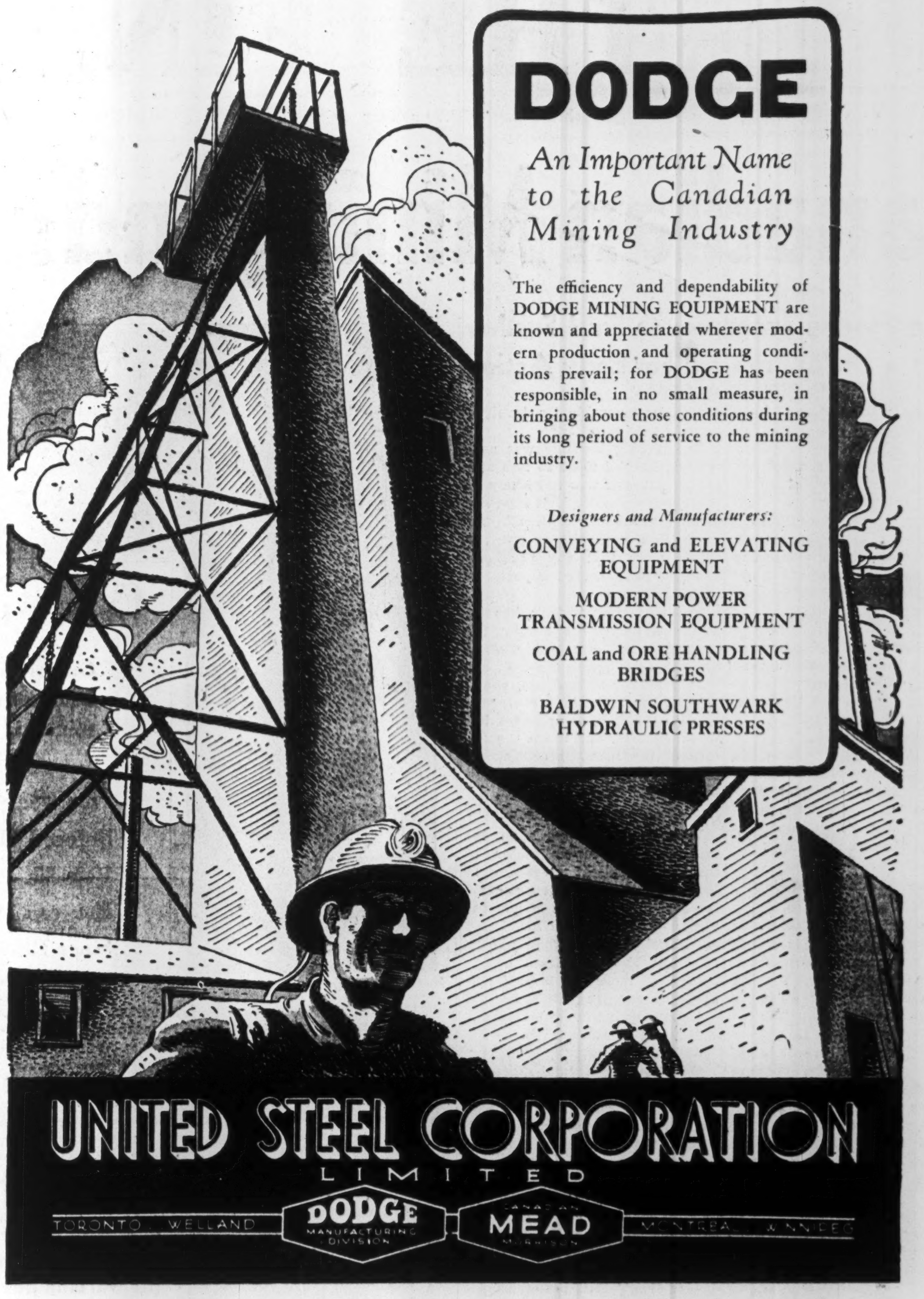

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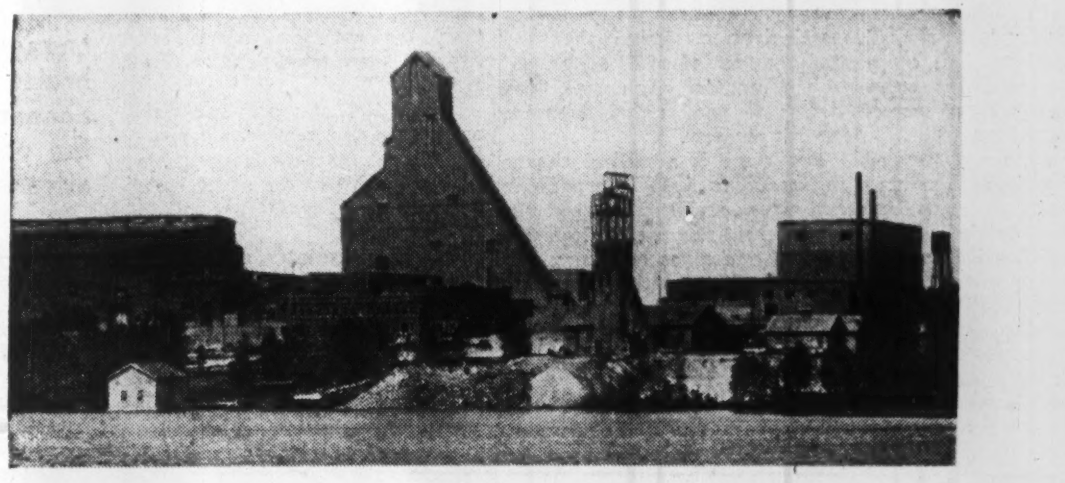

McINTYRE continues to make its annual contribution to Canadian Economy. For the fiscal year ended March 31, 1943, the Company's revenue was distributed as follows:

Salaries and wages to 1,250 employees	$3,025,716.84
Dividends paid to 4,605 shareholders	2,657,340.00
Supplies used and services purchased	1,320,161.26
Taxes	1,366,654.08
Purchase of Dominion War Bonds from this year's revenue	526,146.70
Total Revenue	$8,896,018.88

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Kirkland-Larder Field Seen Promising

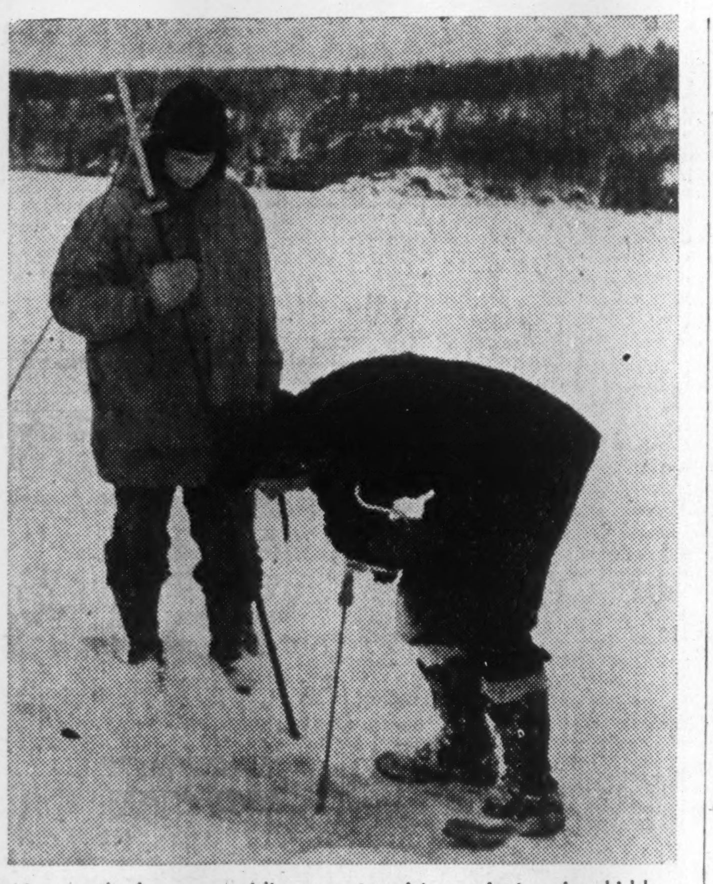
New Geological Theories May Mean Much Brighter Future After War

Major mines of the "main street" of Kirkland Lake are still suffering from the manpower shortage, despite stories of men being made available to badly-hit gold mines. Many months may pass by before a turn comes and output can be stepped up materially.

But there are bright spots to gold mining in this area. At the east end of Kirkland-Larder, Kerr-Addison has caused a new appreciation of the eastern possibilities of the Larder Lake break. Many chances for new mines are seen and this country is ear-marked for real mine-testing.

With outstanding new ore disclosures at Kerr-Addison Gold Mines at the eastern end of the Kirkland Lake-Larder Lake "axis" and with geologists proclaiming the close relationship between Kirkland Lake and Larder Lake to the southeast, possibilities of a big stretch of ground on the "break" in between are being studied more carefully than at any time in history.

Upper Canada, Queenston and Omega have done their part in providing definite evidence that ore-making conditions exist on the "in between" stretch and, fortified with the impressive results secured at Kerr-Addison, the search for ore will likely be backed in a strong way financially. Noranda and Anglo-Huronian which had the foresight to buy a controlling interest in Kerr-Addison have purchased control of Omega. As they already dominate Amalgamated Larder, and Proprietary along the break, it appears that a big development program may be shaping up for undeveloped areas of promise.


New methods are providing great assistance in tapping hidden sources of mineral wealth. "Prospectors," shown above, are boring a hole through the ice to drop an electrode; this electrode will work with another for electrical determinations. Some idea of underlying rock formations and the possibilities of finding ore bodies is secured in this way.

To Be Tested

An even larger stretch of Kirkland Lake-Larder Lake break remains for thorough testing in the long middle sector which includes Upper Canada and Queenston. Much work was done in bygone years but with new knowledge, a number of operators appear itching to get back on this ground to give it a new testing. With markets active, it is evident that the public is willing to put up the money for renewed testing along new lines.

Besides these two main sectors which have been attracting attention, there are at least four other parts of the Kirkland Lake-Larder Lake camp which have further possibilities.

Chesterville plans to extend a long drive out to the east section of its property which covers the eastern extension of the Kirkland-Larder break. This is a practically unexplored part of the Larder Lake break. Other companies have taken ground to the east of Chesterville again with properties staked solid right over to Rouyn in Quebec. Testing to the south is going on.

Geologists are taking a more hopeful attitude toward the possibilities of the area south of Kirkland Lake with the R. A. Bryce interests recently arranging for exploration of the Boyd Kirkland property.

Little is heard of an extension of Kirkland Lake east of Macassa, but it is possible that the Oakes property lying west of Macassa ground may become available for testing. It is one of the "white hopes" of the Kirkland Lake area.

The war interrupted an important piece of Kirkland Lake exploration—the search for a parallel break on the Amalgamated Kirkland ground, south of Macassa. But this work will likely be resumed as soon as war regulations are relaxed and an adequate crew can be brought together again.

Production throughout the entire Kirkland Lake-Larder Lake area is now closely tied to manpower available. Without any increase in supply of labor available, no appreciable increase in gold output seems likely. Even if operations can be continued with present crews and no more, it is not only possible but probable that production over a course of years will decline further as present crews do not permit adequate development.

A few mines such as Kerr-Addison, Kirkland Lake Gold Mining Co., and Upper Canada, have been able to expose new ore despite the manpower shortage but if it weren't for present reduced production rates, ore resources would be dwindling rapidly at most of the area's producers.

Depth results at Lake Shore Mines and Sylvanite suggest that ore may be found in quantity at depth in the Kirkland Lake area, as work proceeds deeper, but individual properties such as Wright-Hargreaves and Teck-Hughes have so far been unsuccessful in proving up any quantity of ore in their deepest work.

There appears to be little question now that a most substantial increase in production will be realized after the war if more auspicious conditions for gold mining exist then. Plenty of good efficient men, supplies at reasonable prices, and a moderate level of taxation, can probably do wonders in restoring the great western Kirkland Lake end of the camp to nearer the prosperity enjoyed prior to the Kirkland Lake strike, and in expanding production in the Larder Lake sector beyond anything that seemed likely a few years ago.

Kirkland Lake Group

BIDGOOD KIRKLAND — One of few Canadian gold mines to show a production increase in 1943. Ore indicated in No. 12 and No. 14 veins at 1,400-ft. level and ore expected on the bottom 1,525-ft. level suggests that the company will be able to maintain ore reserves at approximately two years' supply. Some high grade found lately.

CHESTERVVILLE LARDER LAKE—Big exploration plans are ahead of this east Larder producer. Five new levels projected below present bottom 1,625-ft. level and a drive is to be extended 3,000 ft. to the east to allow putting out diamond drill holes at 100-ft. intervals. Ore picture on the present block of deep levels not fully defined as yet.

KERR-ADDISON — Disclosure of high grade ore at 2,500-ft. level—1,050 ft. below deepest previously developed level—indicates a tremendous expansion of ore resources in the making at this mine, now one of Canada's top-ranking golds. Due to labor shortage production rate reduced to 1,600 tons daily and further cut may be necessary. Expansion of mill capacity to 3,000 tons daily, or even more, justified by ore outlined and indications of greater tonnage and better average values at depth. Expansion deferred until conditions make such expansion feasible.

LAKE SHORE MINES—Shortage of labor is the key factor behind the decline in production of Lake Shore Mines to a level of 700-800 tons daily. Adoption of sequence mining to cope with rock bursts requires completion of development well in advance of mining. Consequently, company has sacrificed development less than most other operations—and production has had to be curtailed a little more drastically. Exposure of ore at depth and preparation of many places for drawing of ore suggest important comeback possibilities for after war.

MACASSA MINES — Production and earnings show improvement since output came close to touching $100,000 monthly in Sept., 1943. With substantial ore reserves, a well-developed mine and efficient milling plant, greater production and earnings are in prospect after war. A 300-ton mill has been recommended for the property of a subsidiary, Renabie Mines, and a survey has been completed so mill installation can be carried out with little delay when regulations relaxed.

OMEGA GOLD MINES — New better grade ore on the 1,850 and 1,975-ft. level highlighted 1943 as far as Omega was concerned. But so short has the labor supply been that little work has been possible on opening up new showings. Milling rate has been cut by 50%.

TECK-HUGHES GOLD MINES—Revenue received from its subsidiary, Lamaque Gold Mines, now forms two thirds of the company's total revenue. Ore reserves relatively well maintained considering practically no development possible past year. With war reaching climax, the company may soon re-enter exploration field. Hanging wall structures main sources of new ore.

TOBURN GOLD MINES—While production in 1943 below that for 1942, output fairly well maintained in recent months. Diamond drilling has indicated high-grade ore for a length of 400 ft. in sublevel above fifth horizon. Possibilities of important tonnage are held out. This, and discovery of other new ore, has resulted in an improved ore position despite limited quantity of work the company has been able to carry out.

UPPER CANADA MINES—Opening of new ore at depth in its main mine and outlining of a new ore shoot on three levels on No. 2 shaft have improved the company's position materially. Production has been lower in line with small labor force available and lower average grade of ore treated. A substantial interest is held in **QUEENSTON GOLD MINES** adjoining where a large tonnage of medium to low grade ore suggests a profitable mining operation will be developed after the war.

WRIGHT-HARGREAVES — Despite the sharp curtailment of development, ore reserves remain practically unchanged from a year ago. Intensive geological studies and mapping of main structures are being carried out. This, it is stated, is assisting discovery of ore and correlation and solving of geological structures. Once again the labor shortage has resulted in a lower daily tonnage milled, but millheads have been maintained.

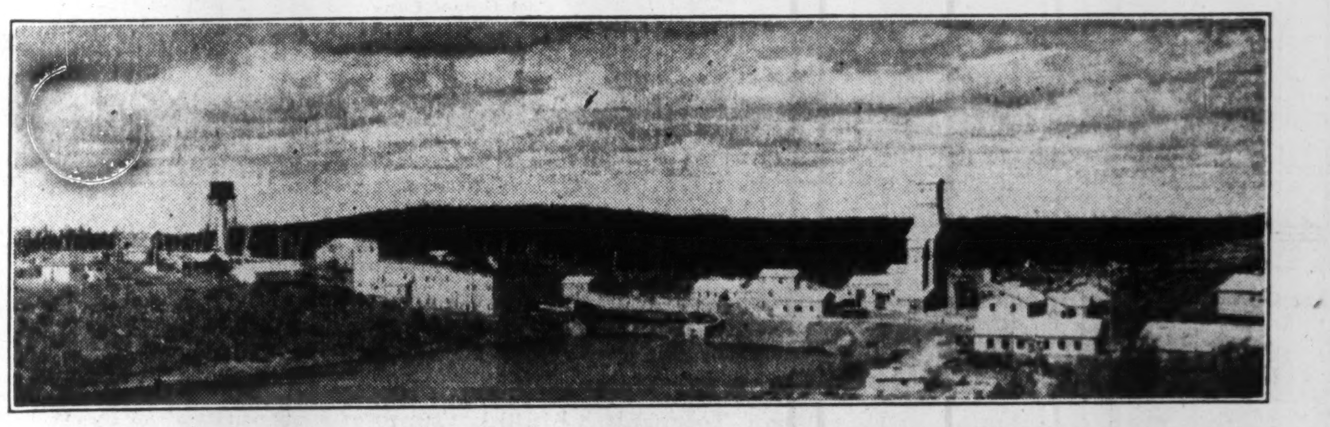
More Hardware Now Available

Easing in the scarcity of metals has brought hardware manufacturers, jobbers and retailers back to within hailing distance of their ordinary markets for structural fittings. You'll be able to get more builders' finishing hardware, cabinet locks and padlocks now that restrictions have been lifted by WPTB on manufacturers' use of nickel, silver, ingot brass, secondary aluminum and secondary zinc needed to make such articles. There will also be more checking floor hinges, door closers and door holding devices, for makers have been relieved of restrictions on the output of these handy gadgets which, until Feb. 1, they were allowed to make only for public buildings, hospitals and uses to comply with fire regulations.

NOVA SCOTIA
The Mineral Province of Eastern Canada

Fully alive to the mining industry's vital importance to the war effort, the Nova Scotia Department of Mines is continuing its activity in investigating the occurrences of the strategic minerals of manganese, tungsten and oil. It is also conducting field investigations with diamond drilling on certain occurrences of fluorite, iron-manganese, salt, molybdenum, dolomite and limestone to aid in their increased development.

THE DEPARTMENT OF MINES
HALIFAX
L. D. CURRIE, *Minister* A. E. CAMERON, *Deputy Minister*



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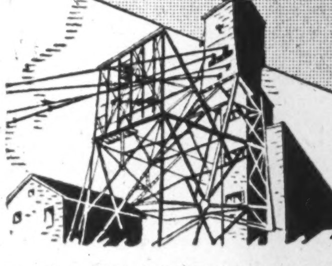

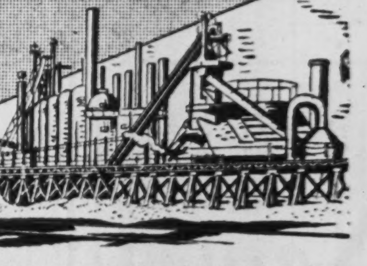

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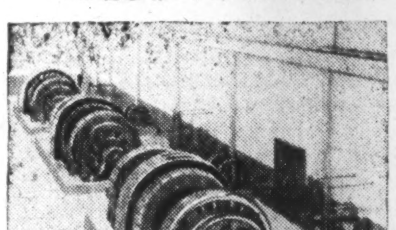
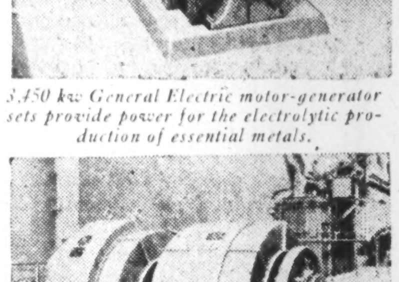
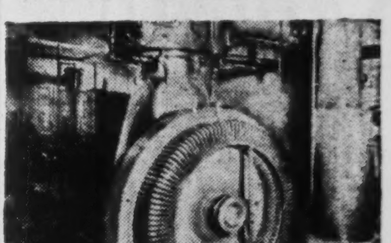

3,450 kw General Electric motor-generator sets provide power for the electrolytic production of essential metals.


G-E 1,000 kw motor-generator set at large Canadian steel mill.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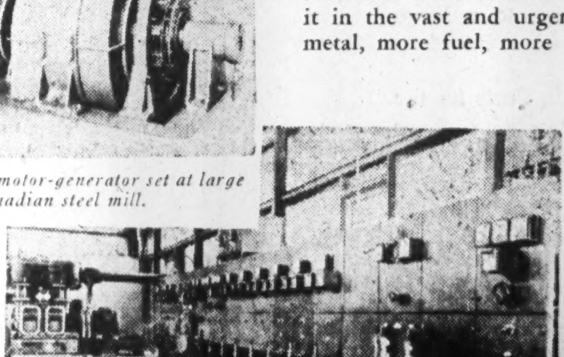
Canada's largest mine hoist powered by two 2,000 hp G-E motors.


G-E Switchboard installed at a Canadian metal mine.

G-E 9,400 kva rectifier transformers at a large metallurgical plant.

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N. S. Mining Prospects Grow

Easier World Shipping Situation Brightens Picture

With shipping again available, Nova Scotia's mining industry may do considerably better in 1944 than in 1943 in several categories.

Production of barytes from a deposit near Walton, N.S., in 1944, may prove the highest in the province's history. While the deposit, held by **Springer Sturgeon Gold Mines,** is known to contain a minimum of 1.5 million tons of ore, only 22,550 tons were mined in 1943 and there is substantial scope for expansion of production particularly as a large demand for the product exists in the oil fields of Trinidad and South America.

Gypsum production which was down nearly $150,000 at $359,505 in 1943 may also be affected favorably in 1944 by the improvement in world shipping conditions. Much of output goes by water.

Coal Output Lower

Coal, of course, forms the backbone of Nova Scotian mineral production. Output in 1943 was $27.2 millions from 6,086,733 tons of ore. A shortage of skilled labor was chiefly responsible for reduction from the $29.1 millions of 1942 when 7,204,852 tons of coal were mined.

While the Nova Scotian Department of Mines has been actively drawing attention to the province's strategic and base metal possibilities, production in this category was very small in 1943. Gold production, too, has been sharply affected by the war and is only a small fraction of the output of pre-war years. However, gold mines such as **Guysborough** closed by war conditions, are expected to get a new testing after the war and the story may be different then.

Structural materials turned out in 1943 had an estimated value of $1.8 million compared with $2 millions in 1942.

This 14-ton blast spelt the end of one river and the beginning of another — and completed the diversion of the Seine River, allowing the pumping of Steep Rock Lake and mining of rich iron ore bodies lying below its surface. So great was the blast which removed a last 27-ft. "plug" that logs were carried through the air distances up to two miles.

Minerals and Post-war Reconstruction

In the past twenty years, the mining industry of the Province of Quebec has expanded rapidly. The Province is now an important producer of gold and silver, and such base metals as copper, chromium, lead, zinc, titanium, molybdenum and tungsten.

The output of strategic minerals from Quebec mines, during the war years, has been a vital contribution to Canada's war effort.

In the difficult post-war years which lie ahead of us, the mines of this Province can be depended upon to play a noteworthy part in the work of reconstruction.

Quebec Department of Mines

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Whilst Indians Shaped Their Arrowheads

. . . Victory in this War lay at their feet:

Minerals, lying untouched for centuries beneath Canada's soil, are now supplying the tools that will decide the final victory in this war.

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Base Metal Producers

(Continued from page 18)

not held the company back from hanging up new earnings records.

No ore reserve figures have been released lately but mine position has been well maintained. There have been some indications of improvement in gold and copper values at depth. Operations are still at relatively shallow horizons and it is possible that further growth lies ahead.

NORANDA MINES—While there is no denying that the company has been affected by wartime difficulties, Noranda was able to report earnings equal to $3.85 for the first nine months of 1943 compared with $3.58 for the comparable period of 1942. Increased income from the base metal mining subsidiary Waite Amulet, and from Aunor, and other interests, has served to offset decline in gold mining income from Pamour and Hallnor.

Very limited development at depth has been possible due to the labor shortage. Some gold ore has already been disclosed (it is not included in the 15 years' ore above the 3,000-ft. level) and the large mineralized mass at depth is first class prospecting country. If the great mineralized zone becomes concentrated in a smaller width at greater depth, it is possible a much richer concentration of values may result.

The management, which has perhaps Canada's finest record in opening up new mines, is continously investigating new properties and in the distant day when the company's Rouyn property becomes exhausted, it is quite possible that the company may have emerged as one of the continent's largest mine-financing organizations. A great interest is held in Kerr-Addison Gold Mines and substantial interests are also held in other Larder Lake projects.

FALCONBRIDGE NICKEL MINES—The company provides an example of how war can have serious consequences to base metal producers, reducing profits instead of increasing them. Fortunately, the consequences are not likely to be of a permanent character in the case of Falconbridge.

Loss of its Norwiegan refinery, for the war period at least, did not prove too serious for Falconbridge when International Nickel offered to refine its output. Reduced dividends became necessary nevertheless with costs rising and output sold at fixed levels.

But, while the company has been forcing production to meet war requirements and advanced development has had to be sacrificed, the company has established great ore reserves ahead.

At its Levack property, the company has indications of a substantial new mine. At some future date, two mines may be producing with ore treated at one central plant.

WAITE AMULET MINES—During 1943 ability to earn $1 per share per annum or better with existing production facilities was demonstrated. Distributions in 1943 totalled 70c. a share but with 20c. a share paid on Dec. 10, 1943, payments in 1944 may gross 80c. a share or better if the labor situation does not affect things too adversely.

No ore reserve figures released since end of 1940 but some success has attended efforts to open new ore. Further exploration is also to be carried out. Both the "A" and "B" ore bodies have been contributing new ore to reserves which are already substantial. Revenue may be reduced when demand for zinc falls but bulk of company's revenue secured from copper and profits expected to continue substantial in peacetime.

GOLDEN MANITOU MINES—Balance of company's $375,000 bank loan expected to be liquidated in first part of 1944, clearing way for retirement of company's $425,000 6% bond issue. Profit before write-offs in 1943 of $726,296. With mill treating an average of 1,000 tons daily, still higher earnings were expected.

Bulk of revenue comes from sale of zinc concentrates to the United States Metals Reserve Co. under contracts carrying on well into 1944. Gold output is substantial and if demand for zinc lessens, steps likely to be taken to treat sections of ore with a higher gold and lower zinc content.

Reserves reported February, 1943 would be sufficient to keep mill operating approximately 1½ years with further ore outlined since and indicated by diamond drilling to 1,000-ft. horizon. Shaft sinking has been completed to the 1,000-ft. level and opening of new levels is being undertaken to provide new ore sources.

NORMETAL MINING CORP.—Despite fine ore results at depth and significant indications that its mine is much richer than originally seemed likely, Normetal experienced lower operating profits in 1943 due almost entirely to inadequate supply of labor and the lower efficiency of men still available.

While mill capacity is approximately 800 tons daily treatment rate has been hundreds of tons below capacity due to labor shortage. Development of the block of four levels below the 2,000-ft. horizon has substantiated previous indications of marked improvement in values and tonnage over upper horizons of mine.

SHERRITT GORDON MINES—A full crew is now available at the company's Manitoba property but production rate remains far below capacity due to necessity of catching up on development. Work has failed to disclose ore at depth but the company has perhaps five

(Continued on page 23)

INTO THE *Blood-Stream* OF CANADIAN INDUSTRY

FOR WELL OVER A CENTURY, the Nova Scotia coal fields have poured, year after year, millions of tons of energy-producing fuel.

These "black corpuscles" have supplied power for railways, steamships, and manufacturing plants in the Maritimes, Quebec and Ontario.

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At the present time, the Company is annually distributing $36,000,000. Of this, $17,000,000 go into the pay envelopes of the Company's 11,000 employees enabling them to buy the products of their fellow countrymen across the Dominion.

Today the production of this coal is largely stimulated by the demands of Canada's war effort. But when that effort has been crowned with success and victory has been won, what then?

How then will a peacetime demand be created to absorb this daily volume of coal and keep these 11,000 people employed? This problem is part of the larger problem of providing work and wages for all Canadians when the bugles have sounded their final "cease fire!"

Canadians can solve this problem, but they will do so only if they pull together to win the peace as they are now pulling together to win the war.

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Quebec—A Bright Spot in the Gold Hunt

Many Chances Seen for Expansion After War—New Gold Finds Impressive

A decline in Quebec gold production by approximately $6 millions to $35.6 millions in 1943 was by no means any reflection on the underlying stability of the gold mining industry in that province, but rather eloquent testimony to the difficult supply and labor problems which 1943 brought forth and for which no adequate degree of alleviation is yet in sight.

As by-product gold production of Quebec base metal mines was relatively well maintained, the decline in output for the average Quebec gold mine was even more acute than the reduction in the province's gold output as shown above would indicate.

Cadillac Shows What Happens

Most acute manifestation of serious wartime difficulties affecting the gold mining industry is provided by the experience of Quebec's Cadillac area. This area, which boasted half a dozen producers before the war, has now only one operator left—the area's pioneer producer, O'Brien Gold Mines.

But fortunately for gold mining in Quebec, most areas have been able to fare much better than Cadillac. With a very short and not so efficient supply of labor remaining, production has been seriously affected at most mines now and at some mines like those in the Malartic area, profits have almost vanished. But production continues and it is hoped that in most cases, the war will mean little more than treatment of a certain quantity of gold ore at relatively small profit.

Still Relatively Healthy

As far as the gold mining industry might be termed normal or healthy under war conditions, the gold mines of Quebec appear relatively healthy from a long term standpoint. Outside of about one producer, most mines have either very substantial ore reserves ahead or diamond drilling indications which suggest that opening of further ore is merely a matter of further work when this proves possible.

Unlike industrial plants in the war zone, Canadian gold mines have not had to "black out." But production has experienced a "dim out" and it is a question as to how quickly Canada's gold production can be restored after the war.

The Thompson report, released last year, which indicated two major gold-bearing belts extending from Ontario over into Quebec is of significance to the Quebec gold mining industry. The new report is likely to bring new interpretations of the possibilities of the Duparquet and Mud Lake areas which have been giving indications of greater ore richness than was at first thought.

Many mines have already been opened up along the belt of which the Malartic, Cadillac and Siscoe-Lamaque camps are a part.

Postwar Expansion Chances

The Malartic and Siscoe-Lamaque areas will be bright prospects for increased production after the war, it appears. East Malartic has embarked on a $1 million program of mine development aimed to place its mine in shape for delivery of a much larger tonnage of ore to the mill than is at present possible.

Malartic Gold Fields has been steadily outlining major possibilities in its new western area and increased production should not be long delayed when gold mining regulations are relaxed and a more adequate supply of labor again becomes available.

National Malartic, which has outlined a substantial tonnage of ore underground, will likely be placed in production not long after the war is over. Sladen and Canadian Malartic have both been enjoying their share of luck in replacing ore with new and operations at these two properties should be more profitable after the war.

Further Malartic Bets

Considerable diamond drill testing of prospects in the Malartic area has been carried on recently, but outside of a certain degree of success at Marbenor Malartic, no new discoveries of importance appear to have been made. Perhaps the majority of chances for further ore bodies in the area lie rather in undeveloped parts of the properties of the area's main producers than in the properties outside the main ore-bearing greenstone belt.

Malartic is still a youngster as gold mining camps go and it appears to have a bright future ahead of it. Deepest exploration in the East Malartic area shows ore continuing strongly downward with geology unchanged, and there appear to be good chances that ore in the area will prove deep-seated just as it has in the big Porcupine and Kirkland Lake camps in Ontario.

Golden Manitou a Big One

In the Siscoe-Lamaque area, the great new zinc-gold producer, Golden Manitou Mines, is making an important contribution to the area's "yellow metal" flow.

While the failure of extensive exploration at Siscoe Gold Mines to turn up new ore sources has been a disappointment, Lamaque and Sigma have been able to show very favorable ore developments in the very restricted amount of exploration it has been possible to carry on during 1943-44. Revived interest in the search for gold has resulted in formation of several new companies in the Siscoe-Lamaque area, including Aumaque, Mylamaque Mines, Unigo and Annamaque—but none of these has yet experienced the degree of success of Sullivan consolidated which has secured a number of intersections of new ore on a large property south-east of Lamaque and southwest of Golden Manitou. It appears that important contact zones in this area have yet to be completely explored from results turned up by Sullivan.

Pascalis a Postwar Producer

Northeast of the Siscoe-Lamaque area, Perron continues to produce at a somewhat reduced grade. Cournor remains closed down. Pascalis appears likely to ship ore to the Cournor mill after the war.

Rouyn remains the backbone of Quebec gold production through output of the base metal producers Noranda and Waite Amulet. But there is also a substantial flow of gold from three gold mines—Powell Rouyn, Senator-Rouyn and Stadacona. McWatters, to the east, hasn't been able to replace ore milled and may have to close down shortly if no new ore is discovered.

The new strike at Donalda—northeast of Noranda—may change the complexion of gold mining in the area.

New surveys have been made in the Rouyn area the last year or so and while most of them have been made with the primary idea of finding base metal deposits, they may prove of great assistance in the discovery of new gold mines also. Much ground has been restaked and the hunt for "wildcat ore" is being prosecuted by several companies. Quemont, the new Eldona and others have been active. Astoria Rouyn is reported to have secured some interesting intersections in recent work.

Beattie New Ore Impresses

Areas surrounding Rouyn have an important gold output which will likely be increased substantially after the war if not before. The Duparquet gold area with its producer, Beattie Gold Mines, has experienced a sharp revival of interest following Beattie's exposure of a new and much higher grade ore body.

Rehabilitation of the Beattie mine is well on the way to completion and improved results are looked for if the labor situation does not become too acute.

New Mine for Aldermac

Southwest of Rouyn, Aldermac has suspended production but Francoeur has been able to maintain operations relatively well although profits are not as substantial as formerly. Aldermac has taken steps to place a new property in production following good ore disclosures on two levels. Arntfield hopes to resume exploration after the war.

Mud Lake has experienced a prospecting boom with larger mining companies vying with each other to secure well-located ground. Belleterre, the area's producer, has become a really profitable producer with substantial ore reserves which have led other companies to try and emulate its success.

A cross between a gold and a base metal mine, Mic-Mac Mines, in between the Rouyn area to the north-west and Cadillac to the east in Bousquet Township, continues in production. Bousquet appears to possess the possibilities of large-low-grade ore bodies which might become of particular interest with any further increase in the price of gold.

Gold Hunt Resumed

Throughout Quebec, the search for gold has now largely succeeded the search for strategic minerals. From the standpoint of the long-term welfare of Quebec gold mining this would seem to be important.

It is quite possible that by the time the war is over, a fine list of

(Continued on page 22)

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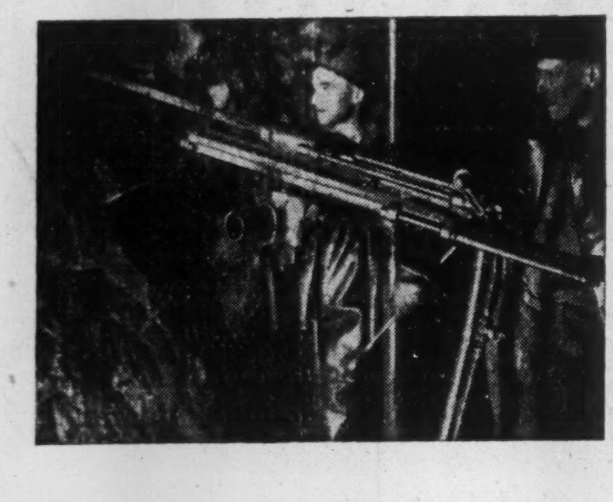

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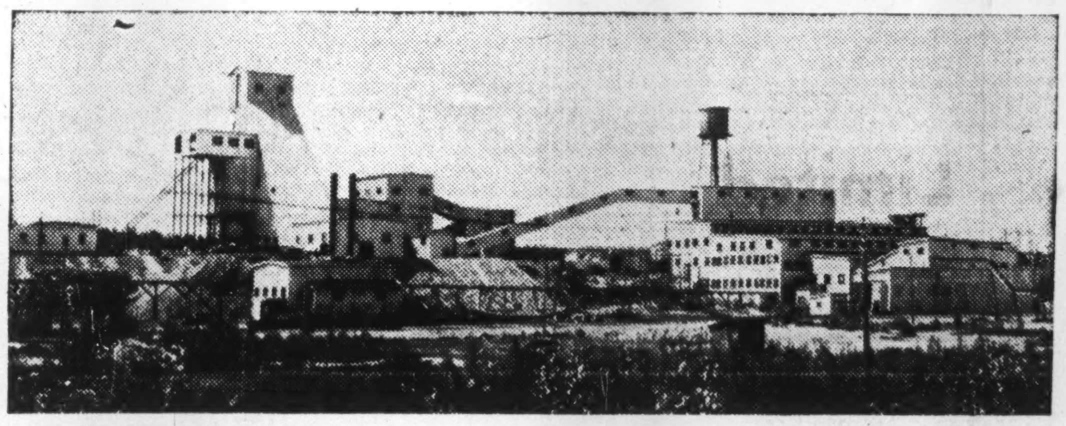

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CANADA is fortunate in the fact that her mineral resources rival those of any other country in the world. Many of them are of vital importance in the manufacture and improvement of munitions of war.

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Ventures Limited and Associated Companies

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Coniaurum Mines Limited
Matachewan Consolidated Mines, Limited
Canadian Malartic Gold Mines Limited
Falconbridge Nickel Mines Limited
Sherritt Gordon Mines Limited

Head Office: 25 King Street West *Toronto, Canada*

Mid-West Mining is Growing

Big Base Metal Producers Augment Metals Flow

Mid-West Canadian mining—centring in Manitoba and Saskatchewan—showed a marked increase in output during 1943 which could be traced almost directly to success in augmenting output of copper and zinc.

Mineral production of Saskatchewan at $26.6 million showed the most marked increase for any province in Canada in 1943, output value being approximately $6 millions greater than in 1942.

While Saskatchewan isn't ordinarily looked on as an important mining province, the fact that by far the largest proportion of ore mined by **Hudson Bay Mining & Smelting Co.** is now taken from the Saskatchewan side of the line has resulted in the Province of Saskatchewan turning out slightly more than twice as much mineral wealth a year as Manitoba.

Manitoba Output Stable

Manitoba, in spite of loss of two or three gold producers in recent years, has maintained production at a stable level—$13.1 millions in 1943. Output of base metals in 1943 was actually higher than in 1942, but gold recovery declined from $5.2 millions to $3.6 millions. Over-all value, however, was only $800,000 less than in 1942.

That Hudson Bay Mining & Smelting Co. and **Sherritt Gordon Mines** have been able to increase Western Canada's production of base metals is clearly shown by available production statistics. Output of common non-ferrous metals in 1943 at $20 millions was almost 50% higher than in 1942.

Labor Shortage Hindered

During a considerable part of the year both companies suffered severely from the labor shortage and Sherritt Gordon Mines was forced to reduce production rate but the labor situation was corrected late in the year through an influx of prairie farm help. The coming summer, however, may be again a critical period for base metal mines with regards manpower.

Production rate of Hudson Bay has been held not far from the 6,150 tons daily set early last year. At Sherritt Gordon Mines, milling rate has been held at approximately a third below capacity of 2,500 tons daily due to the labor shortage. While the company has a fairly adequate crew on hand at present, extra men are being used to catch up on development and it has not been considered feasible so far to mill 2,500 tons of ore daily.

Deep Ore For San Antonio

San Antonio Gold Mines, Manitoba's pioneer dividend-paying gold producer, continues to form the bulwark of the gold mining industry in Mid-Western Canada.

Shortage of labor forced the reduction in milling rate to 400 tons daily, compared with a capacity of 550 tons, late in 1943, but it was expected that reduction in expenses would serve to offset much of any decrease in production as far as earnings were concerned. Working capital was $1.2 millions at Oct. 7, 1943, an amount which appears ample to take care of not only wartime contingencies but further expansion after the war if this should be deemed justified.

Deep drilling below the present bottom 16th level has intercepted true widths of 20 ft. of good ore and the mine continues to respond orewise to the limited amount of work it has been possible to complete.

At 400 tons daily, ore reserves are sufficient to keep the present mill in operation approximately ten years.

Two War Casualties

Gunnar and **God's Lake** have both proved war casualties but strong mining treasuries are allowing a search for new properties to be continued. Not long ago God's Lake was reported to have approximately $750,000 working capital and no great change is believed to have taken place since then. Gunnar had working capital of $578,553, taking securities at book value, at the end of 1942.

Any increase in the price of gold would rate of first importance with **Consolidated Mining & Smelting Co.** as far as its Box mine at Goldfields, Saskatchewan is concerned. Work was suspended to save manpower about two years ago.

Snow Lake Situation

Widespread interest has been noted in the gold showings of the Snow Lake area, Manitoba. A large tonnage of medium grade gold ore has been outlined by large footage of diamond drilling at a property held by **Howe Sound Co.** A large tonnage operation is expected after the war. Other properties gave considerable encouragement in work, but so far no other deposit of importance has been established. Indications have been sufficiently extensive, however, to think further deposits, and new mines, may be found in this area.

Re-opening of new sources of supply has resulted in the Bird River chromite deposits being placed in "cold storage." They represent an important stand-by source of low-grade chromite ore should this ever be required.

Transition from war to peace may be much simpler for Mid-Western mining than for some other sections of our economy. Hudson Bay Mining & Smelting Co. produces perhaps enough gold to pay all its operating costs and there is no tendency to be afraid of possible low metal prices. For Sherritt Gordon, peace would mean more adequate labor supply to explore the company's deposits, including important iron ore deposits in the Michipicoten and Steep Rock areas.

As far as the gold mines are concerned, peace is a desired condition. It will be indeed surprising if gold production does not show a substantial gain after the war ends.

Quebec Bright Spot

(Continued from page 21)

new gold mines and prospects will be completely diamond-drilled awaiting the sinking of shafts. Other properties, with shafts on them already, such as Senore and Lacoma, appear worth further testing. While some gold mines have been forced to suspend production—and others may have to suspend production before the war is over—it is often lost sight of that a mill is a valuable asset and something which may assist gold production to be attained quickly from new properties. More than one Quebec gold mine mill will probably be transferred to a new and promising property at the end of the war.

Quebec Gold Mines

BEATTIE GOLD MINES—With milling resumed and ore now available from the new, better grade, ore shoot on company's Donchester ground, company rapidly regaining its former position. Rehabilitation is costing in neighborhood of $1 million, but profits when rehabilitation completed expected to be on substantially larger scale. Ore reserves over four million tons exclusive of new Donchester ore not included in last estimate of ore reserves.

BELLETERRE QUEBEC MINES—One of most profitable gold mines developed in Quebec in recent years, Belleterre has retired indebtedness and built up cash assets to over $500,000 with dividends a possibility before long. Production and profits running much higher than prior to the war and ore reserves sufficient for five years' milling at present production.

CANADIAN MALARTIC GOLD MINES—War difficulties were anticipated and development carried well in advance of current requirements. Consequently this Malartic producer, treating a relatively low grade of ore is able to continue operations on relatively stable basis with ore reserves maintained at nearly five years' requirements.

EAST MALARTIC MINES—$1 million being spent on large development program to place company in a position to enlarge production and profits after war. Program embraces a new shaft, placed outside immediate vicinity of ore zone to provide second entrance to mine. Cost is being absorbed in operating expenses. Much ore exists in this mine, but difficult mining conditions have cut into production and profits. Indications of ore on eastern part of property are interesting.

FRANCOEUR GOLD MINES — Production in 1943 approximately at same level as in 1942 when small loss experienced. At one time expansion of present mill considered, but war difficulties have forced a certain sacrifice of advance development. Working capital may be higher at end of 1943.

LAMAQUE MINING Co.—Ore reserves almost doubled to over five years' requirements in 1943, although very little development could be done. Ore reported developed in "plugs" and a large tonnage of lower-grade ore included in final 1943 estimate. Earnings substantially below pre-war level, but war difficulties appear main reason for decline and improved earnings a possibility after war.

MALARTIC GOLD FIELDS — Opening up of the new west No. 2 mine highlighted 1943 for this company. Underground development substantiating large tonnage of ore previously indicated by a large footage of surface diamond drilling. No. 1 mine development continues satisfactory with various ore zones found extending to depth. Mill capacity 1,000 tons daily, but treatment only 525 tons daily at last report due to labor situation, government restrictions. Full capacity expected to be used shortly after end of the war if not before.

McWATTERS GOLD MINES — While remaining ore near exhaustion and final ore chances at main property being tested, company has further bet in property adjoining Belleterre Quebec Mines for which $100,000 diamond drilling program has been recommended. This program is being undertaken with other interests participating 50% in cost of proposed program.

O'BRIEN GOLD MINES — Company re-entered exploration field in 1943 through financing of Highridge Mining Co., engaged in diamond drilling a property next to Chesterville Larder Lake Gold Mining Co. Milling has been maintained at fairly close to normal and no great change in ore reserve position noted. Arsenic is being produced as well as gold as company's contribution to war effort.

PERRON GOLD MINES—Shortage of men and absenteeism have not only affected production but have interfered with development to the point where supply of ore ahead of milling considerably reduced. When greater supply of labor available, aggressive development program appears likely. Company has a number of outside projects of interest.

POWELL ROUYN MINES — A slight loss experienced last quarter of 1943, but better grade of ore being opened up at depth and larger operating profits appear possible. All ore being shipped to adjoining Noranda property. Diamond drilling to still greater depth has returned good ore intersections.

SENATOR-ROUYN — Larger ore reserves may be reported when 1943 annual report appears. Ore disclosures at 1,125- and 1,250-ft. level have served to strengthen advance ore position. Production and operating profits lower, however, due to shortage of labor for mining and milling of ore.

SIGMA MINES — This company has one of strongest advance ore positions of any mine in Canada. Only a relatively small part of favorable area on most levels explored, however, and outlook is bright for a long and profitable operation. Ore reserves—over three years' milling requirements — show an increase each year recently despite war difficulties. Broken reserves were equal to a year's mill requirements at last report.

SISCOE GOLD MINES—With a working capital position of better than $1 million, an active search is being prosecuted for a new mining property. While it appears that the company's main mine may reach exhaustion a few years hence, the management has made effort to prolong the length of life of the company's mine through treatment of lower grade ore sections. When milling is eventually completed the company will have a 1,000-ton mill which may be most useful in placing any large new property secured in production.

SLADEN MALARTIC MINES — Profits have not been substantial for this Malartic producer in wartime, but steady operating profits realized have allowed a fine improvement in working capital position. Mine offers good chances of expanded ore resources after the war with some interesting ore results secured at depth.

STADACONA ROUYN MINES — Several parties working to have this property taken out of liquidation and a plan is scheduled to come before the courts this week for approval. During the period of liquidation, a large part of creditors' liabilities have been met, the mine position appears to have been improved and new people taking an interest in the property think it has real merit.

SULLIVAN CONSOLIDATED — One of the luckiest Quebec mines lately as far as new ore is concerned, Sullivan has been encountering success in more than one direction. In its main mine, rich new ore has been disclosed by diamond drilling and underground work, while interesting ore intersections have been secured on a new property in the southern part of the Siscoe-Lamaque area. Further new Siscoe-Lamaque properties have been taken over for testing recently.

WEST MALARTIC MINES—Malartic's newest producer, profitable operations may not be experienced until after the war. A relatively low grade of ore has been treated in the 300-ton mill placed in production, May, 1942.

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B. C. Golds Outlook Turns Brighter

Dominion Authorities Act to Ease Manpower Situation

Better things appear ahead for British Columbia's gold mining industry as a result of the recent Dominion Government decision to make more men available for the most needy gold mines still in operation.

As the west coast province's gold mining industry has experienced probably greater manpower difficulties than any other gold mining sector, this decision has represented exceptionally good news. Promises have been made before of greater consideration on the manpower fact, but such aid proved wholly inadequate. The first real "dividends," in the way of increased manpower for gold mining, have only been forthcoming in relatively recent weeks.

B. C. Hit Hard

War hit hard at British Columbia's gold mining. If it had hit much harder, the entire province's gold mining industry might have been forced to suspend work.

Zeballos, which formerly boasted several producers, was forced to close down entirely due to the labor shortage.

The Sheep Creek camp lost its Reno and Kootenay Belle producers, due partly to exhaustion of ore resources. Surf Inlet, on Princess Royal Island, a war casualty, expects to resume production after the war.

Backbone of B. C. gold production, Bralorne, Pioneer, Sheep Creek, Cariboo Gold Quartz, Island Mountain and Hedley Mascot have not confined themselves to mining gold. They have played an important part in the search for strategic war minerals.

As a result, Bralorne Mines brought its mercury property at Takla Lake into production on Nov. 27, 1943,

Sheep Creek has achieved a substantial output of lead and zinc through its subsidiary, Zincton Mines, which is operating the former Lucky Jim mine. The same company acquired the Paradise mine in the Invermere district in 1942, and has since undertaken exploration from the old workings.

Hedley Mascot has turned out a substantial quantity of arsenic—in demand for war purposes.

Pioneer has been active in the strategic mineral field.

With decreased emphasis now on strategic minerals, however, there are indications that B. C. gold mines are once more placing their exploration departments behind the search for gold.

Pioneer has recently been cooperating with Northern Canada Mines in the testing of gold showing in the Snow Lake area of Manitoba.

Both Bralorne and Pioneer maintain exploration offices in eastern Canada, and have been aggressive in outside exploration.

Bridge River Pre-eminent

The Bridge River area, the "Porcupine" of western Canada retains its pre-eminence as British Columbia's premier gold mining area.

There has been little improvement in the development picture of Pioneer Gold Mines, but Bralorne Mines continues the brightest spot in the entire B. C. gold mining arena.

Great foresight was shown by the Bralorne management in speeding development in the halcyon days when a really adequate supply of labor was available. Bralorne is one of the very few Canadian gold mining companies which has been able to maintain its dividend policy unchanged throughout the entire war period. A well-managed mine, with plenty of high grade ore in reserve, has been the secret of Bralorne's success.

Shortage of manpower has hampered Pioneer's plans for opening up its No. 27 vein. This vein is the best current hope of providing a new source of ore to replace gradual depletion of ore possibilities in the main vein.

The Cariboo area with its two producers, Cariboo Gold Quartz and Island Mountain, was particularly hard hit by the lack of manpower but this situation is being corrected now.

Island Mountain has been able to put men back on development again and Cariboo Gold Quartz at last report expected further men available shortly.

At Cariboo Gold Quartz production had to be curtailed to the point where the company was actually experiencing a small operating loss. But if any number of further men are secured, production rate will likely be restored to a more economic level.

Short Of Labor

Both Sheep Creek—the Sheep Creek area's leading producer—and Gold Belt Mining Co. have felt the keen edge of the labor shortage. Gold Belt Mining Co. has been forced to close down entirely, but will resume at the earliest feasible moment.

Sheep Creek has found it impossible to operate both mine and mill at the same time the last few months. Consequently, the mill in recent months has handled little over 50 tons a day on the average against capacity of 150 tons.

Sheep Creek's subsidiary, Zincton Mines, has experienced great difficulty in achieving capacity production of 350 tons a day due to the labor shortage. In mid-1943, the subsidiary was able to do little better than treat ore at half rate capacity.

Directors of Hedley Mascot Gold Mines decided to suspend milling at the end of last September because the crew available was not sufficient to continue development and milling operations simultaneously.

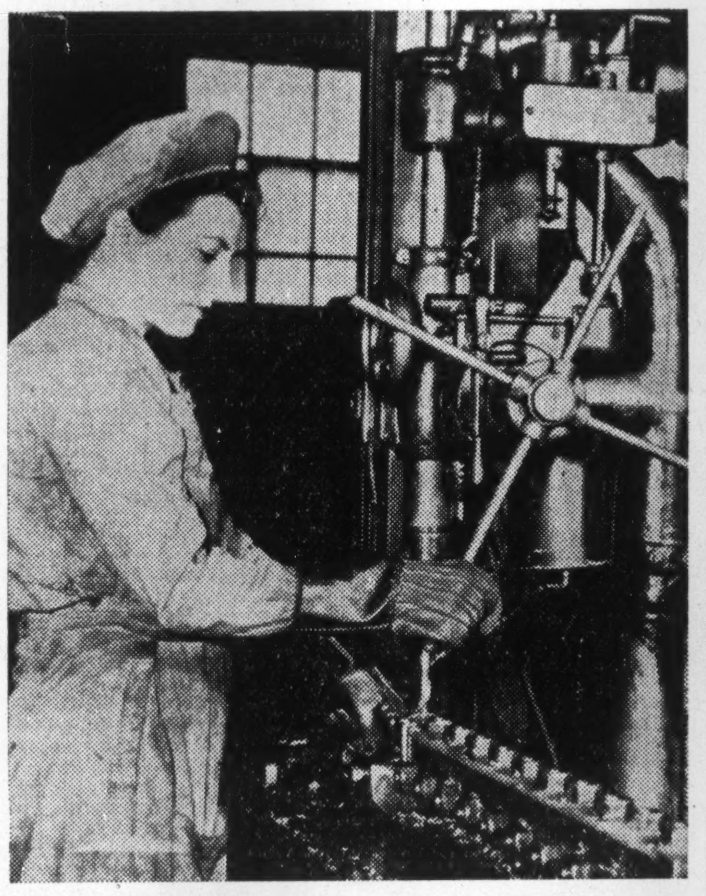
Available men have been concentrated on development and ore-breaking has been done so that the mine will have a substantial tonnage of ore broken when it is possible to resume milling.

See Production Boom

When the gold mining manpower shortage breaks, as it eventually will, British Columbia appears likely to experience a sharp increase in gold production. Privateer Mine, Spud Valley and Central Zeballos, in the Zeballos area, will join with other war-closed gold mines on the mainland to spur revival forward.

Some war casualties will not resume but most of such mines would have been lost to the ranks of the gold producers anyway since their ore resources were depleted.

Possibly, a number of new gold showings were turned up during the course of the strategic metals search. Finds such as these may be expected to get a thorough prospecting when advanced development of new gold mines again becomes permissible. Bralorne, Pioneer, and several others have "irons in the fire" which it is planned to investigate when the war shortage is past. Most of the British Columbia gold mines, even those closed down, possess substantial treasuries whose resources will likely be harnessed to the interesting and profitable job of making new gold mines.



Women continue to play a key role in breaking labor shortages "bottlenecks" at base metal mines. Here a girl works in the surface plant of International Nickel Co. Like many of her friends, she is turning out parts for gun mounts.

Gold mining in British Columbia, by-passed by the war effort, until recently has been at the lowest ebb in years. Whole camps, such as Zeballos, have been practically closed down.

But observers now see a chance. A small but important trickle of men has been helping mines such as Pioneer, Island Mountain and Cariboo Gold Quartz. If the war ends soon, the returning trickle of manpower toward B. C. golds may become a stream.

B. C. Golds

BRALORNE MINES — While less than half its normal mining crew was available up to recently, earnings fairly well maintained and dividend rate of $1.20 per annum sustained by limited tapping of company's substantial surplus.

Despite labor shortage, ore reserve position substantial at approximately five years' milling requirements. Besides blocked-out ore, a substantial additional tonnage of ore is to be expected as a result of ore disclosure in workings at depth where work not sufficiently extensive to allow inclusion of any large amount of ore in reserves. Development at 20th or bottom level in 1943 returned encouraging results in Nos. 77 and 79 veins.

PIONEER GOLD MINES—While no dividends being paid due to war conditions, working capital at last report approximately $1 a share. Profits have largely disappeared due to labor shortage; forced cut in production to 50% of capacity, but substantial tonnage of ore remains in reserve for profitable production when conditions improved. Reserves remaining approximately two years' supply with mill operating close to capacity. Full testing of remaining ore chances awaits more adequate supply of labor.

CARIBOO GOLD QUARTZ—Operating loss was $5,988 in October quarter, but improved results anticipated when further men made available as expected. Disappearance of earnings traceable entirely to labor shortage as mine has continued to respond to work completed. By December, 1943, labor force had been cut from 450 to 150. Some decrease in ore reserves experienced in 1943, but milling at much reduced rate does not mean great drain on resources. Little ore news has developed as available men concentrated on production.

ISLAND MOUNTAIN MINES — With more men available recently for development, continuation of production appears assured. Value of production, however, reduced by approximately half in two years. Dividends continue with 2½c. distributed Dec. 20, 1943. Ore reserves 71,000 tons or nearly two years' supply at end of 1942; fairly well maintained despite labor shortage.

SHEEP CREEK GOLD MINES—With shortage of men making impossible milling of ore and carrying on of development, simultaneously, production and profits sharply affected. But mine maintained in shape for substantially higher production when manpower again available. Reduced profits at Sheep Creek mine proper offset by earnings of subsidiary Zincton Mines. Zincton realized $55,057 profit before Dominion taxes, three months ended Aug. 31. This was greater than estimated profit of Sheep Creek Mines for the same period.

HEDLEY MASCOT — Suspended production late 1943, but crew concentrated on breaking of ore to place mine in shape for resuming later on. Over $300,000 in treasury at last report.

GOLD BELT—Available ore exhausted when milling suspended latter part of 1943, but over $550,000 available to launch a sizeable development program when labor conditions permit.

Base Metals Producers

(Continued from page 20)

years' ore in reserve and is aggressive in the search for new properties, this search already being attended by some success.

In Michipicoten Iron Mines, Sherritt has 50% interest in a hematite-siderite operation of considerable prospective value. Plans have not yet been announced for placing this property in production but as resources of high grade iron in the United States continue to shrink, the Michipicoten picture gradually becomes more promising.

Sherritt also has a 50% interest in an important iron deposit at Strawhat Lake which had had a substantial content of manganese, perhaps enough to make it more valuable ore than that of Steep Rock Iron Mines.

KAM-KOTIA PORCUPINE MINES—A 500-ton concentrator was placed in production on this Hollinger-controlled property in the latter part of 1943. Entire output is under contract to the Metals Reserve Co.

Perhaps 2,750,000 tons of medium to low-grade ore is indicated.

Price received for copper concentrates covers operating changes and provides a royalty on metals produced. Return of capital is guaranteed.

NEW CALUMET MINES—A mill of 500 tons capacity was placed in operation on this zinc-lead-silver-gold property of 300 acres on Calumet Island, Ottawa River, in Sept., 1943.

Chief products are lead and zinc for the Metals Reserve Co. but recently a substantial gold ore shoot was outlined and gold production may also prove substantial.

ALDERMAC COPPER CORP.—Ore resources depleted and production suspended at main mine, but copper-lead-silver-gold property near Sherbrooke, Quebec, being placed in production. Test carloads of ore shipped.

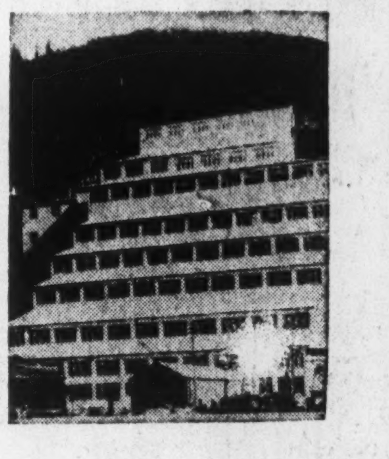
EMERGENCY METALS—A subsidiary of Hudson Bay Mining & Smelting, Emergency Metals is engaged in mining out available ore at former Mandy mine adjoining Hudson Bay Mining & Smelting Co.

DEVELOPING MINES — Nickel Offsets in the Sudbury area has secured substantial indications of a commercial nickel-copper mine. **Clifton Consolidated, Ontario Nickel, Dominion Nickel** and others are engaged in mine-making efforts.

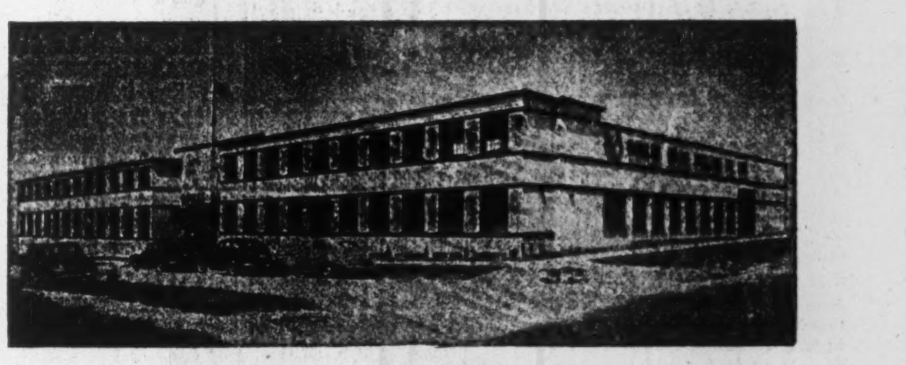
For information on British Columbia base metal producers see page 27.

Sheep Creek Gold Mines Limited
(Non-Personal Liability)
Incorporated under the Laws of the Province of British Columbia
Authorized Capital: — 2,000,000 Shares of a Par Value of 50 Cents each.
OFFICERS AND DIRECTORS
C. E. Marr............President — James Anderson.......Director
A. E. Jukes......Vice-President — J. R. Pyper............Director
A. H. Douglas........Director — H. E. Doelle.Managing Director
James Anderson, Sec.-Treas.
Auditors: Foster & Barrett-Lennard, Vancouver, B.C. — Robertson, Douglas & Symes, Vancouver, B.C.
Transfer Agents and Registrar: Prudential Trust Co. Ltd. Vancouver and Toronto.
Head Office: 616 Stock Exchange Building, Vancouver, B.C.
MINING IN WAR-TIME
Directors of Sheep Creek Gold Mines Ltd. deem it a duty at this time not only to make as large a contribution as possible to Canada's production of gold, but to continue judiciously the search for possible new production.

MANITOBA'S "UNDERGROUND" WEALTH
Geared to complete, all-out production for war, Manitoba's mining industry is pouring out large quantities of zinc and copper to meet ever-increasing war-metal demands.
With an eye to post-war development, Geologists and Prospectors are probing deep into Manitoba's Northern wilderness and are sending in promising reports on the discovery of other vital industrial metal deposits — nickel, chromium, lithium, beryllium, tantalum. Extensive work has been carried on in the Snow-Herb Lake area and every indication points to the establishment of a major gold producing camp with at least one and possibly several large mines.
When the peace-time march of progress begins, Manitoba's mineral wealth will play a vital role in the expansion and strengthening of Canada's mining industry.
MANITOBA OFFERS MANY OPPORTUNITIES FOR PROFITABLE INVESTMENT OF MINING CAPITAL
DEPARTMENT of MINES and NATURAL RESOURCES
WINNIPEG, MANITOBA
HON. J. S. McDIARMID, Minister — D. M. STEPHENS, Deputy Minister

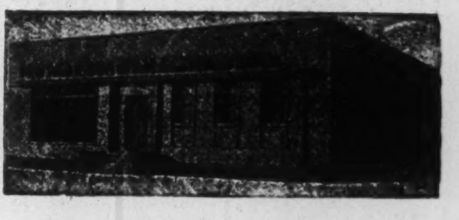


INDUSTRIAL BRITISH COLUMBIA
AS A PRODUCER OF MANUFACTURED GOODS, BRITISH COLUMBIA RANKS THIRD AMONG THE PROVINCES
Its products range from the heaviest machinery to the tiniest part, from structural timber to processed foods, from ships to shoes and shingles.
British Columbia's Industrial Payroll in 1941 was $303,000,000 — $63,000,000 better than for 1941.
• • • •
For a hundred years, Mining has been a chief corner-stone in British Columbia's economic structure. In British Columbia's War Effort, no industry has played a more vital part, nor has been more active in adapting itself to the changes imposed by war's demands.
Fully alive to the significance of the Mining Industry, the Department of Mines is already studying the problems which will arise upon the cessation of hostilities.
Among other aspects is its importance in the plans for Rehabilitation, and the Department is giving close attention to that angle.
THE DEPARTMENT OF MINES, Parliament Buildings, Victoria, B.C.
JOHN F. WALKER, Deputy Minister — HON. E. C. CARSON, Minister



Head Office and Factory: Vancouver

Office: Port Arthur, Ontario



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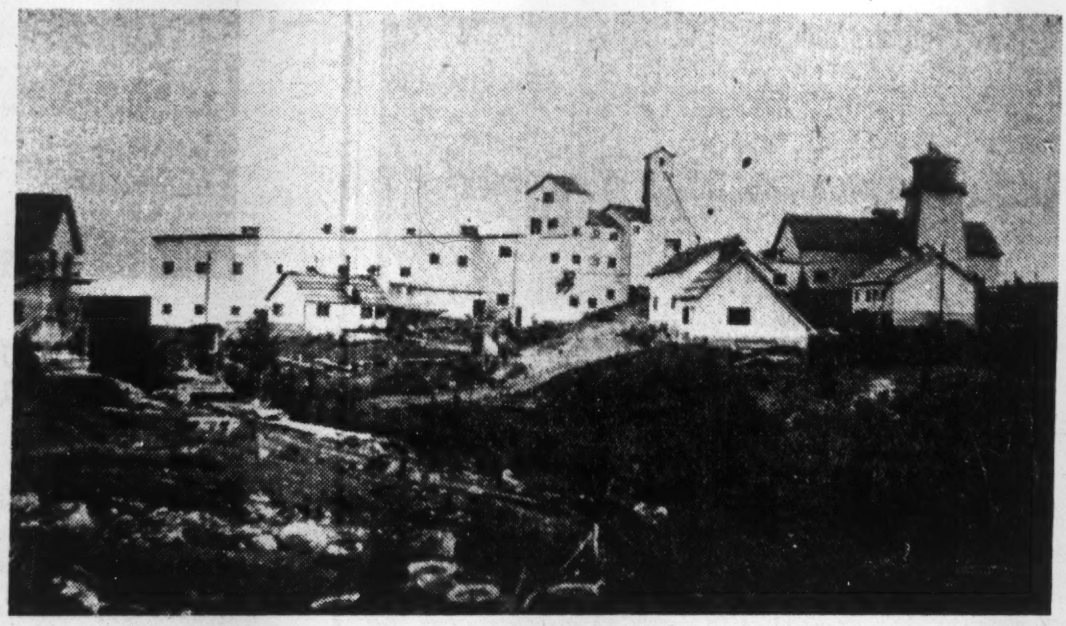
Strategic Mineral Hunt Brings Reward

Much of Hunting Past But New Riches Tapped – Many Lessons Learned



Pictured above is one of the prizes of the strategic minerals' quest — Indian Molybdenum, Dome's big molybdenum-producing subsidiary in Preissac Twp., Que. It has a capacity of 400 tons daily, and treating a grade of ore averaging 1% MoS_2.

Not many months ago a tremendous hue and cry was being raised about strategic minerals. Here was the bottleneck of our war effort, the vital factor that could make or break our all-out war effort. In some quarters, there were grave forebodings of disaster.

Then, overnight as it were, the entire picture changed. Stories appeared about war metal projects —such as the Emerald tungsten in British Columbia—closing down Authorities at Ottawa announced that bonus prices for such elements as molybdenum, tungsten and cobalt would not be continued after current contracts expired. Prospectors, sensing the changed character of things, have turned their prime attention to gold, still keeping in mind, however, the always-needed metals, copper, lead, zinc and nickel.

Reasons for Change

The explanation for the sudden shift of emphasis away from the search for most of the so-called strategic minerals is not difficult to find.

Perhaps the most important reason is the reopening of world shipping lanes, particularly the Mediterranean route.

When the Mediterranean was reopened, ships no longer were forced to travel around Africa—and a much larger total tonnage of cargo could be moved.

Chrome from Turkey again became available. Manganese could again be drawn in larger quantities from Africa — and possibly from Russia, one of the world's largest sources. It is conceivable that tungsten and possibly tin are forming return cargoes for the aerial transport route from India to China, a route over which larger tonnages are now passing than were previously delivered over the Burma Road.

New Sources Help

Some items have become in adequate supply because new sources of production have been tapped — or because substitute products have been arranged. For instance, cemented carbides have been substituted for tungsten in machine tools and special electrical hardening has reduced the need for tungsten in anti-tank shot and the like.

What's happened to the search for strategic minerals?

The answer is several sided. Some came off the strategic list because world shipping lanes were reopened, others were discovered in our hunt for new mineral wealth. A few still remain on the badly wanted list.

But the strategic mineral hunt has been an important factor in Canada's economic history. The great variety of Canada's mineral wealth has been discovered. New deposits have been tapped and prospectors will have a better understanding of this country's possibilities in the days ahead.

Some Still Important

But not all items have been taken off the strategic list. White mica, of which Canada has become a substantial producer, still remains an item of great strategic importance.

So does vanadium, of which no important deposits have so far been found in Canada. Rare elements like columbium and tantalum are needed and so is Iceland Spar.

Chances do not appear bright, however, that any substantial deposits of tin or vanadium will be discovered.

While the main emphasis on strategic minerals is now a thing of the past and likely will remain so unless some unexpected step-up in the tempo of our war effort should be required, the stress on strategic minerals has been of tremendous importance to Canada.

Lessons Are Valuable

The lessons learned in the strategic mineral front will likely be put to good use for decades to come.

Mining men and the public generally used to regard Canada as a source of gold, base metals and coal, but never seemed to think so much of other items.

For instance, before the war, only the optimist concluded that Canada would ever become a great producer of mercury. (Today it is producing 20% of the United Nations requirements.)

New Products Provided

But as a result of an intensive search into new fields, Canada has many worthwhile new products. Among them are:

Mercury
White mica
Molybdenum
Tungsten
Magnesium
Graphite
Chromium

Not all of these rate in the strictly "strategic" category but some of them are a direct result of the strategic mineral search while others have been associated with it.

Some "new" minerals—such as mercury, molybdenum, white mica, graphite and iron ore—will likely continue to be produced in peacetime, enriching our country.

In fact, these new minerals may be one of the chief favorable developments resulting out of the war as far as Canadian mining is concerned.

Significance Still Greater

But the value of the strategic minerals to Canada goes even farther than the immediate "dividend" in the way of a greater variety of minerals being produced.

We have a much better idea today of the great variety of minerals from which magnesium could be produced in Canada if desired. We know that Canada has great resources of nepheline syenite, a source material from which alumina can now be wrested by metallurgy if desired.

We know that a great increase in iron production is in prospect with Steep Rock Iron Mines on the threshold of production.

We know that Canada has great possibilities for the production of a number of industrial minerals which can either be used at home or exported.

For the immediate war period new minerals being turned out are of the highest importance.

Indian Molybdenum

Placing in production of a 400-ton mill of Indian Molybdenum in Preissac Township, Quebec, last September, marked an important development in Canadian mining history. Canada had produced molybdenum in the last war when the price of the mineral soared to great heights.

But while over 300 occurrences of molybdenite were known in Canada, none seemed rich enough to allow profitable operations during peacetime.

But the molybdenum discovery of Dome Mines, now being operated by its subsidary Indian Molybdenum, is a deposit of somewhat substantial proportions. Officials feel that this property may well continue profitable operation on into peacetime.

Concentrates are now being marketed under Dominion Government contract which should allow amortization of much of the expense incurred by Dome in placing this property in production as a war project. Ore grades about 1% Mo S_2.

A Reserve for Tomorrow

A substantial by-product of tungsten has been achieved by Canadian gold mines as part of their contribution to the country's war effort. The Dominion Government expropriated Emerald tungsten project near Salmo, B.C. is a most important one, but with an improved supply situation, it became possible to close this property down shortly after production was reached.

While no production is planned currently from this deposit, it undoubtedly remains a most significant strategic resource for the future — in some respects it may be better than possessing a stock pile of tungsten concentrates.

Two Mercury Mines

Canada has now two important producers of mercury — Consolidated Smelters Pinchi Lake property and the Takla Lake property of Bralorne Mines—both in British Columbia, the best "hunting" ground" for mercury in this country.

Requirements of mercury are not quite as great as productive capacity and there has been some slackening in demand as far as Canadian output is concerned. But it would appear that the two large Canadian producers may be exceptionally efficient, their mines may be larger than those of some high cost United States producers, and the mercury-producing industry may prove one of stability in peacetime. Bralorne's mine, however, has not quite been up to advance expectations.

In the Eau Claire area, Canada has one of the world's most important sources of strategic white mica. Purdy Mica Mines has been turning out large quantities with trimming plants established at Mattawa and North Bay, Ont., employing several hundreds.

Mica Company of Canada has also a white mica mine in the Eau Claire area and is understood to be the largest producer of processed mica parts in this country.

After the war it is quite possible that Canada may prove the dominant factor in the white mica business. Not only will the white mica be produced here but it will be processed here.

Have Graphite Producer

The Ventures interests have rehabilitated the Black Donald Graphite mine and 40,000 tons of ore are reported in reserve at end of 1942, grading from 15 to 32% carbon content with 25 to 30% in the form of flake graphite. It is quite possible that this mineral will continue to be produced in peacetime.

Many strategic minerals which failed to reach production under the stimulus of all-out war may eventually be resurveyed as the needs of peace become more demanding.

Not generally considered a strategic mineral, magnesium holds particular interest for the postwar era. Not only is a whole field of new uses open to this mineral but there are still revolutionary possibilities on the production side.

Several other magnesium recovery processes have been worked on in Canada besides the ferrosilicon process now being used by Dominion Magnesium.

One of them envisages treatment of millions of tons of asbestos tailings in Quebec, a great potential source of magnesium metal, it is stated. At Wakefield, Que., a plant has been established for the turning out of magnesia, the oxide of magnesium, from brucite. Possibilities of magnesia may be further investigated after the war in a new era of raw materials.

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THE CONIAGAS MINES LIMITED
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Capitalization - 800,000 - $5.00 Par Value
SUBSIDIARY
THE CONIAGAS REDUCTION COMPANY LIMITED
OFFICERS AND DIRECTORS
ARTHUR L. BISHOP, Toronto, Pres. & Gen. Man.
FRASER D. REID, Toronto, V.-Pres. & C. Eng.
W. G. WATSON, Toronto, Ont., Director
ROBERT L. PEEK, Grimsby Beach, Ont., Dir.
LEONARD F. BISHOP, Brantford, Ont., Director
C. S. KENNEDY, Toronto, Secretary-Treasurer
THE TORONTO GENERAL TRUSTS CORP., Toronto
Transfer Agents
Head Office
SETTLEMENT OF STURGEON RIVER, VIA JELLICOE, ONT.
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320 BAY STREET - - TORONTO

McKenzie Red Lake Gold Mines Limited
(No Personal Liability)
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ISSUED . . . . 2,935,000 Shares of $1.00 par value
Operating a 250 ton mill employing about 140 men. Townsite has Hotel, Bank, Hospital, School, Stores, etc.
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ONTARIO'S mines account for nearly one-half of Canada's mineral production—have already returned nearly a billion dollars in dividends to investors in gold, silver and nickel alone.
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Mining in Ontario is a large industry—long-range directed. The Ontario Department of Mines is at your service for any assistance you may require—maps, mineral locations, surveys, a corps of engineering consultants and complete data on the findings of its special field men. Your inquiries are invited.
THE ONTARIO DEPARTMENT OF MINES
HON. LESLIE M. FROST, Provincial Treasurer and Minister of Mines
H. C. RICKABY, Deputy Minister

Old Porcupine Ready After War

Output Down Now But Lots of Chances Remaining

Porcupine, Canada's premier gold camp, the "golden sidewalk" which turns out by itself almost as much gold as the balance of Ontario—or as much gold as Quebec and British Columbia taken together—has not been unaffected by the war.

Output in 1943 at $39.4 millions compares with $50.6 millions for 1942. But latest information is to the effect that while output is still declining, it is at a slower pace than during most of 1943.

With hard-hit gold mines receiving consideration on the manpower score, the trend of production may be finally levelling out.

Lay-offs May Help Porcupine

It is perhaps a little too soon to expect the curve of production to turn higher, but with major war construction projects completed and lay-offs being reported at war plants, the manpower situation may gradually begin to correct itself in Porcupine. Already there are stories of families returning with men folk soon to follow.

While certain individual mines have been seriously affected, production has not been hit nearly as adversely as in the Kirkland Lake camp which had not fully recovered from its strike when the labor shortage started becoming acute.

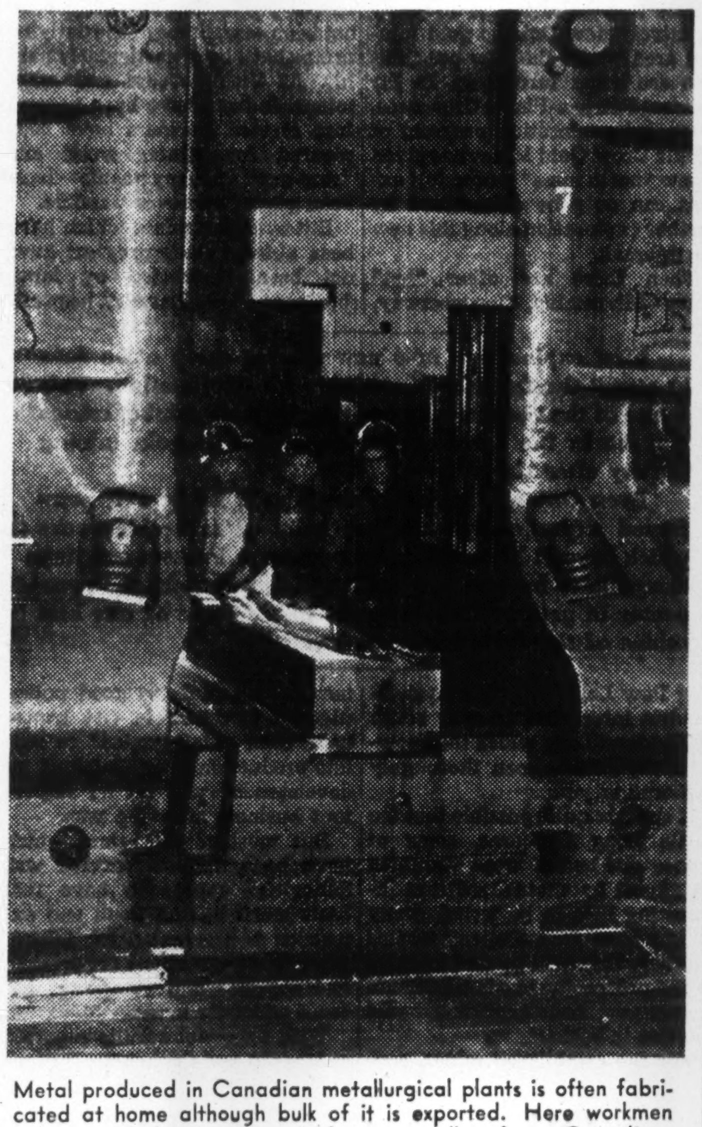
Biggest Mines Suffer Too

But even mines which rate as some of the largest and most stable in the whole field of Canada gold mining have been forced to curtail production and development to a not inconsiderable degree.

Hollinger, McIntyre Porcupine and Dome are all treating smaller tonnages than is generally considered normal for these mines. However, the great dangers which face these and other large Canadian gold producers now appear to be things of the past.

The threat that gold mining might have to be suspended altogether seems now a thing of the past. Authorities have finally become appreciative of the fact that gold mining must be continued if it is expected to be carried on at anything like normal in camps such as Porcupine after the war.

For a time grave fears were expressed in some quarters about what might happen to big Porcupine mines, especially if a shutdown of the golds had been forced. Estimates suggested that at some mines it would take almost as many men to keep the mines in proper physical shape on a shutdown basis as it would to continue milling on a reduced tonnage basis.



Metal produced in Canadian metallurgical plants is often fabricated at home although bulk of it is exported. Here workmen are seen fashioning an airplane propeller from Canadian-produced aluminum. Some are alloyed with Dominion-produced magnesium.

If the mines weren't kept in shape while shut-down, it appeared possible that cost of rehabilitation, in some instances, might be prohibitive if rehabilitation proved feasible at all. Mine timbering must be worked over continuously to prevent rot from allowing "fill" to move, inundating working places. Mine rail and piping deteriorate at rapid rates if mines are allowed to flood.

But the worst fears never materialized; and if gradual improvement takes place in the manpower situation, most of the larger producers will emerge from the war in not too bad shape.

Development has had to be sacrificed, it is true, and some mines have had to draw on their resources of broken ore, but a more adequate supply of labor will act as an immediate corrective, allowing gradual return to normal tonnage. With a number of U. S. gold mines resuming operation, there is not the same U. S. pressure now to have Canada suspend gold production.

Fortunately for the Porcupine area, the main producers in the main central northeastern and southern parts of the camp possessed substantial reserves of proven ore. This has allowed mines to live on their "fat"; depletion is not a pressing factor at more than one or two of remaining producers.

Camp Has 12 Mines

Twelve producers continue operating in Porcupine after allowing for wartime casualties.

In the northeast sector there are:

Broulan, Pamour, and Bonetal.

In the main central sector there are:

Hollinger, McIntyre, and Coniaurum.

Immediately to the southeast, continuing down to the southwest are:

Dome, Preston, Paymaster, Buffalo-Ankerite, Aunor and Delnite

Hoyle Likely to Resume

Hoyle in the northeastern sector had its mill destroyed by fire But a large tonnage of ore is known to exist on this property and it is believed that plans will be implemented for production again after the war.

Adjoining Hollinger to the southwest, Moneta Porcupine Mines closed down its mill after known ore resources became exhausted. The company, however, has substantial liquid assets and is active in the search for a new mine. Besides its liquid assets, the company has an efficient plant.

While the Larder Lake area has been in the spotlight recently as far as current diamond drill exploration is concerned, it appears that Porcupine still has every chance for another drilling boom. Drilling is already being carried on by New Augarita and is projected at Hugh-Pam Porcupine Mines.

Reserves for Tomorrow

Covered for the most part with deep overburden, Porcupine will remain good prospecting country for years to come. While holes have been punched down over a large part of the area, geological evidence is continuously expanding the areas which may be regarded as potential ground, while new interpretations of the geology of older areas often suggest new possibilities. Some of the best mines have been of the "hidden" category with good ore starting to show up around the 1,000-ft. horizon.

Porcupine Companies

AUNOR GOLD MINES.—The year 1943 in many respects was the best yet experienced. On the 1,375 and 1,500-ft. levels, where first work had not been conclusive, excellent tonnages of ore have been disclosed and a further increase in ore reserves may be shown for end of 1943. Earnings for the first six months were 17.4 cents a share against 13.1 cents the first six months of 1942. This company has not been quite as hard hit by the labor shortage as some.

BONETAL GOLD MINES.—Revenue derived from production has allowed continuation of development on a modest scale. Indications of ore warrant exploration on broader scale, but this is not possible due to war conditions. Results at depth at the west end of adjoining Hallnor mine, may prove of considerable importance to company at much greater depth.

BROULAN PORCUPINE MINES.—New ore revealed in long drive to company's northeast claim with values traversed for a width of 59 ft. in crosscut; chip samples for last 20 ft. averaged $13.60 per ton. Intensive exploration of this zone being completed with limited labor supply available. Ore position of mine proper well maintained, company benefitting from advanced development carried out before labor shortage became acute.

CONIAURUM MINES.—Production now only 60% of that early in war, but profits still being realized as expenses sharply reduced. Mine continues to respond to development, particularly at depth, and long-term outlook generally regarded as encouraging.

DELNITE MINES.—Development at depth shows encouraging results. While production in 1943, below 1942, chances appear bright for a rapid comeback after the war. Grade of ore milled has fluctuated between $6 and $8 a ton since milling commenced June 1, 1937.

DOME MINES.—This big Porcupine producer is milling within 10% of its normal tonnage, but average recovery has shown some reduction, possibly due to necessity of mining ore from most readily accessible sources. Earnings for 1943 were $1.56 a share. Dividends from Sigma augment mining revenue considerably and a further subsidiary, Indian Molybdenum, placed in production in 1943, is prospective source of further "non-operating" income.

HALLNOR MINES.—Production and earnings ran at substantially reduced scale in 1943 as both tonnage milled and average recovery declined. But "break" occurred in company's search for new ore with drill holes below 2,160-ft. level in west end of mine, indicating commercial ore over length of 600 ft. at depth of few hundred feet below level. Deepening of shaft and further development of this ore, however, await improved labor conditions.

HOLLINGER CONSOLIDATED.—Milling rate of Canada's largest gold mine down from 4,800 to 2,500 tons a day by August, 1943, but some improvement noted since and company has done well in limited production basis. Company is looking forward to better postwar conditions. Employment will be given to a great many men and the flow of wealth from this mine can be substantially augmented. A leader in exploration field, Hollinger is investigating mineral possibilities of Labrador through Labrador Mining & Exploration Co., and is looking into the possibilities of iron at Milton, Ont. Kam-Kotia Porcupine Mines was placed in production with 500-ton mill, as a war project in 1942. Profitable production continues at the company's Ross and Young Davidson properties.

McINTYRE PORCUPINE MINES.—While earnings somewhat reduced, dividend payments maintained. Company has investment portfolio of approximately $23.6 millions, equal to almost $30 a share. Rich No. 25 vein of great assistance in maintaining output. Some ore lost due to inadequate supply of labor, but company's position relatively well maintained.

PAMOUR PORCUPINE MINES.—Due to severe labor shortage, the company is understood to have made deep inroads on its broken ore supply equivalent to one year's mill requirements at end of 1942. But a 3-year supply of ore was available for milling at last report with many remaining ore possibilities. Development of high-grade ore in Broulan Porcupine claim adjoining, may be important to company on strike and dip at depth.

PAYMASTER CONSOLIDATED.—Production somewhat below $100,000 monthly, but operations appear on fairly stable level. The company has large relatively untested blocks of potential ground which may make a significant ore news when a larger supply of labor again becomes available.

PRESTON EAST DOME.—Considerable interest attaches to recent diamond drilling results secured in northern part of company's property by drilling from underground working. Exploration underground in western sector of company's property has also been giving encouragement and a distinct turn for the better may be in making at this property. Tonnage milled, of course, is far below mill capacity and will likely continue below while present restrictions are in effect.

Censorship regulations have been relaxed to permit publication of certain production figures previously withheld for security reasons. Base metal production statistics for 1940, 1941 and 1942 may generally be published but there remains a small group of metals and minerals which it is stated to be "highly undesirable" to publish as yet. Companies producing these minerals are being notified to that effect.

A Record of Achievement —

From commencement of milling operations on May 2nd, 1938, to the end of December, 1943, 2,988,749 tons of ore have been treated, recovering 612,522 ounces of GOLD and 30,426 ounces of SILVER, having a combined value of $23,389,244, or an average recovery of $7.825 per ton milled.

DIVIDEND disbursements have totalled $5,676,361.20, or $1.20 per share.

TAXES for the period approximate $2,758,000.

VICTORY BONDS purchased are valued at $2,760,000.

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MINE OFFICE: Virginiatown, Ontario.

"The gold we had at the beginning of the war, and what we still have, has saved our bacon." Graham Towers, Governor of the Bank of Canada.

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(No Personal Liability)

CAPITAL

Authorized capital 3,000,000 shares, of which 1,997,000 are issued, all of the par value of One Dollar each.

PROPERTY

Mining claims located at Yellowknife, in the Northwest Territories, Canada.

From the commencement of milling operations in February, 1939, to November 30, 1943 —

Tons ore milled	108,000
Value metals produced	$3,553,000
Payroll	$1,186,000
Dividends	$ 350,000

OFFICERS AND DIRECTORS

Charles McCrea, K.C.	*President and Managing Director*
W. Samuel, A.C.S.M., M.E.	*Vice-President*
Ole Hagen	*Director*
A. W. Hunter, K.C.	*Director*
G. M. Huycke, K.C.	*Director*
W. M. McIntyre	*Secretary-Treasurer*
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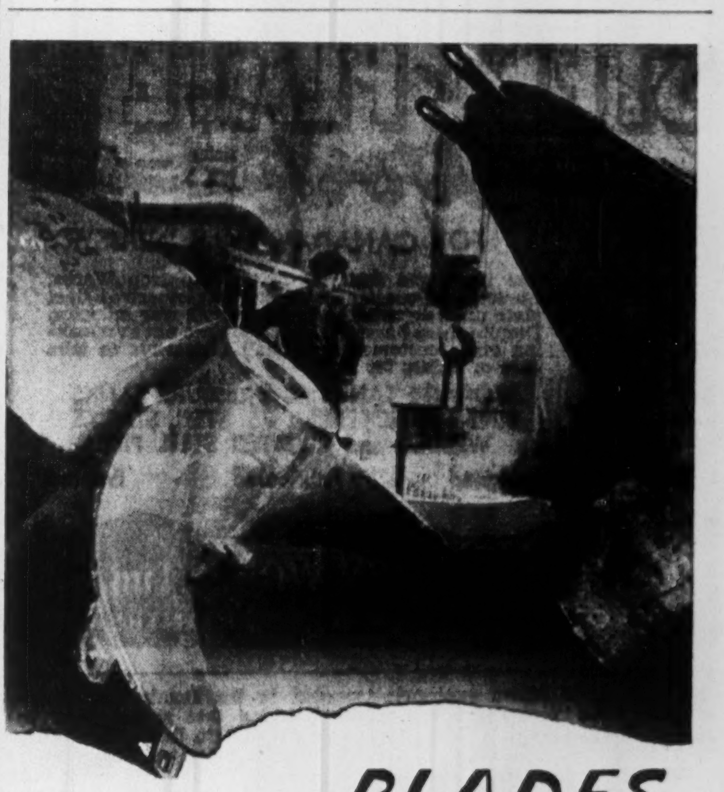

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The same huge furnaces that pour tons of metal, the same machines that shape the castings into gleaming propeller blades now — will be high potentials in Canada's industrial success at home and on the seas after the war.

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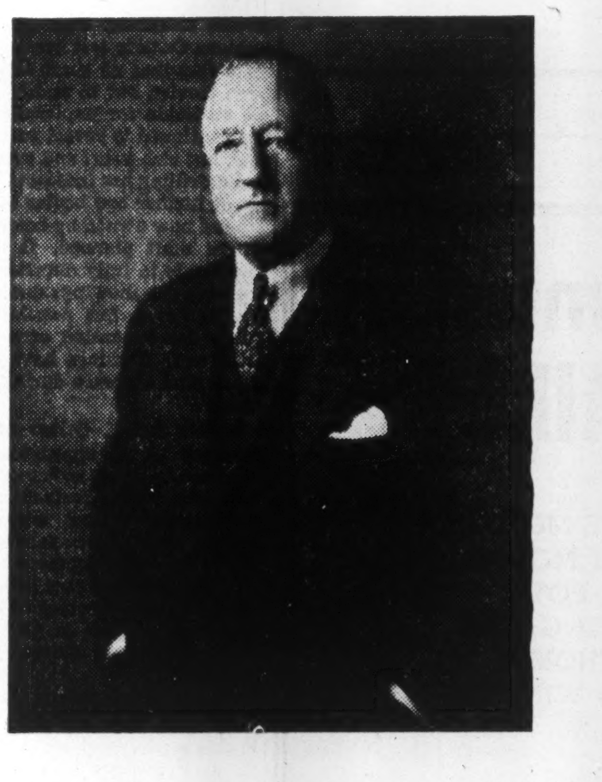

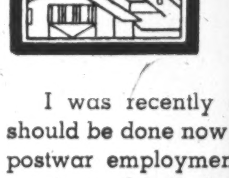

That is a good old proverb which applies forcefully to Canada today. The air is full of discussions about the necessity for planning now to ensure a better world, full employment and a higher standard of living for all.

I was recently asked for my opinion about what should be done now to assure suitable peacetime use and postwar employment for our trained airmen. The discussions also embrace the necessity of planning now for the postwar life of our soldiers and our sailors — in short, what should be done now to make full use of our resources and facilities for our citizens. We need men of imagination at the national helm. With all the vast spaces of our north country and the immense mineral resources, our problem would more correctly be approached by an immigration policy looking to an increase in population.

The Canadian north country can provide employment for everyone in Canada—and millions more. We must have the co-operation of our various Governments. The mining industry does not ask for the protection of tariffs nor does it ask for subsidies. If it is given reasonable, equitable treatment, it will stand on its own feet and provide wealth for our citizens beyond anything that we have achieved to date. Even now, during wartime, it is necessary for our Government to lift the ban against the activity of searching for new mines and developing mines which are already discovered. The mining industry needs an assurance that the present scale of confiscatory taxation will be lightened, if we are to encourage men of vision to risk their time, their energy and their capital in the discovery of new mines. At the present time the Government is cutting itself in on the proceeds of the mining industry to such an extent that taxes must be paid even before there is any assurance of capital being returned to the shareholders. This surely is a form of capital levy and not taxation on profits.

With the co-operation of our Government, I am not afraid of the future of gold mining in Canada. The position of gold in the world of commerce is assured — all we now need is that the Government will see the necessity of lifting the dead hand of bureaucracy from our virile people, and the people will work out their own salvation.

J. E. Hammell

J. E. HAMMELL.
President and Managing Director.

PICKLE CROW GOLD MINES LTD.
HASAGA GOLD MINES LTD.
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TORONTO MONTREAL

Eldorado Gold Mines expropriation has been protested by two sources. M. J. Coldwell, CCF leader protested the expropriation on the ground that the expropriation price, $1.35 a share, was 4 cents a share higher than the price on the market. A group of minority shareholders held a meeting in Hamilton recently and a resolution was forwarded to the Dominion Government asking that shareholders be allowed to retain their share interest in the company or the right to reacquire their share interest within a period of six months after the war. Members of the Hamilton committee are reported as follows: Thomas Sutton, chairman, George E. Scroggie, and Donald Sewell.

New Mines Emerge in Ontario

Smaller Camps Will Boost Output When More Men Available

If the last few years have shown anything, it is the very little we know about many of our gold camps in Ontario.

Take Red Lake.

In this camp, which enjoyed world-wide publicity in its "earlies" — and in which interest dwindled somewhat when Howey proved the only producer—reinvestigation has expanded the area to one boasting five producers including two, Madsen Red Lake and Cochenour-Willans, which rate among the best new gold mines turned out in Canada of late years.

And now the geologists and diamond drills are showing many other ore chances remain in this one camp. The long three-mile undeveloped stretch between the Madsen and Hasaga mines has been placed in the spotlight by a rich drill hole on the Cockeram Red Lake property midway.

Diamond drilling is starting on other sectors between Madsen and Hasaga and elsewhere.

But Red Lake is not the only relatively new Ontario gold mining area where the new possibilities are being turned up. In the Central Patricia-Pickle Crow area, a studied exploration program of Pickle Crow Gold Mines has given a new "north mine" whose full extent can only be determined by further exploration along this new north break.

Then there are other "hot" areas—Missanabie, Opeepeesway, Dog Paw Lake and that mysterious but interesting country south of Kirkland Lake which the geologists say hasn't been thoroughly explored as yet.

It appears quite possible that the Little Long Lac area, some of whose ore bodies were stumbled on almost by chance, still has interesting bets to be tested. Many claims have "come open" in this country. This will be an incentive to the prospector to comb over old showings re-interpreting old "stories in rocks."

For the established mines, continued production in wartime has not been easy. Some of the outlying camps have been particularly hard hit. At Pickle Crow and other mines, Indians have been pressed into service. Farmers have been secured for winter work and "stop-gap" arrangements have been made wherever possible.

But even the mines which have been able to show progress have not been unaffected by labor shortages. Shafts have not been extended as rapidly as good policy suggests as desirable. Ore bodies have been "high-graded" to sustain production rates. Catching up development will be an important business after the war.

But most of the mines which have been able to survive war difficulties appear to have real basic merit behind them and expansion is warranted for several when war regulations are relaxed and supplies and manpower become adequate again.

With excellent results reported at Madsen and Cochenour Willans and McKenzie Red Lake, the Red Lake area appears marked as one of those Canadian gold camps which may really forge ahead in the postwar years.

In the Little Long Lac area, MacLeod-Cockshutt provided for expansion which will likely be completed after the war.

Jason, Jerome and Magnet Consolidated are only awaiting the day when men are available and production can be resumed. All have ore ahead and all should become profitable producers again. The Missinabie area will be a new producer after the war since Renabie is scheduled for production with a 300-ton mill.

The prospectors are out for gold these days and it will not be surprising if substantial new camps are added, or some of the smaller producing areas such as Beardmore and Matachewan, bring forth new and impressive producers.

First exploration in a new mining camp often fails to reveal the full riches available for exploitation. This is one of the reasons why outlying Ontario mining camps may be in the forefront of expansion of gold mining activity after the war.

Even Ontario, generally considered fairly well prospected superficially, still has belts of favorable rocks which haven't been canvassed properly. Present outlying camps have broken new trails which will assist the prospector in getting into the areas where some of our best mines of the future may be located.

Other Ontario Golds

BANKFIELD CONSOLIDATED—While production was suspended due to depletion of the company's Little Long Lac property late in 1943, claims have been acquired covering a gold discovery in the Missanabie area, Ont., and an interest has been taken in a search for base metal deposits in the Shebandowan area. A substantial interest is also held in Anoki Gold Mines, which is apparently on the main "break" of the Larder Lake producers.

BERENS RIVER—With production reduced almost 50% in 1943 due to labor shortage, conditions at Berens River could hardly be termed "normal." Development has been affected by the labor situation and there has been little ore news recently.

CENTRAL PATRICIA GOLD MINES—Despite reduced production, earnings in 1943 appeared to have approximately equalled the 19.3 cents for 1942. However, a marked decrease in production was shown last quarter of 1943 and labor shortage may affect earnings more seriously this year. Development at depth has been most encouraging, but limited labor supply has prevented extensive opening up of new ore showings. Option on a controlling interest in Derlak Red Lake Gold Mines has been secured; this property covers projected extension of Madsen Red Lake ore zone.

COCHENOUR WILLANS GOLD MINES—This mine one of most consistent finders of rich new ore in western Ontario last few years. Despite fact that no shaft sinking has been carried out to make new levels available for exploration, work has continued to reveal further narrow, but rich veins and surface diamond drilling has indicated possibility of further ore bodies on Kelson ground now owned by company and where shaft planned. It has been impossible to fully develop some of the new ore showings due to shortage of labor, but possibilities are bright for expansion of production after war. Earnings have shown a substantial increase during the war period.

HARD ROCK GOLD MINES — Opening up of approximately 100 ft. of ore in a new sector on the 625-ft. level with spectacular visible gold across good widths highlighted this company's activities in 1943. Development of this ore on other horizons now being undertaken. Due to shortage of labor and shutdown of part of plant for repairs, production showed a decline in 1943.

HASAGA GOLD MINES — While production approximately 25% below capacity, cash position built up to over $500,000 and dividends a possibility. While production was lower in 1943, a fair operating profit is understood to have been realized. Three years' ore available at last report.

JASON MINES — Plans are in hand for this company to resume production at its western Ontario gold property as soon as conditions permit. A base metal producer, Twin "J" Mines, has been placed in production by this company in British Columbia, and results have been fully up to preproduction estimates.

JEROME GOLD MINES — Since production suspended Aug. 31, 1943, development continued to open up two new levels beyond previous depth. Up to 500 tons daily treated before mill closed down with $336,444 operating profit the first eight months of 1943. Loans to company remain at $110,000, funds on hand being required for development program.

LEITCH GOLD MINES—Sections of high-grade ore opened up on bottom levels down to 1,650 ft. in 1943, with ore reserves estimated at 11 years' requirements in mid-1943. Some decline in production experienced, but earnings appear likely to allow present dividend rate to be maintained if not increased. Leta Exploration, organized for exploration for new deposits in Yukon and North West Territories. Shaft sinking through 500-ft. barren diabase sill, which underlies present workings, likely to be deferred until after war.

LITTLE LONG LAC GOLD MINES—Width and grade of ore have shown diminution with depth, but known ore resources, without allowing for development of any new ore, should permit milling to continue at present rate about four more years. Possibilities of developing new ore exists at several different points and exploration to be carried out. Sinking to open two more levels. The

(Continued on page 27)

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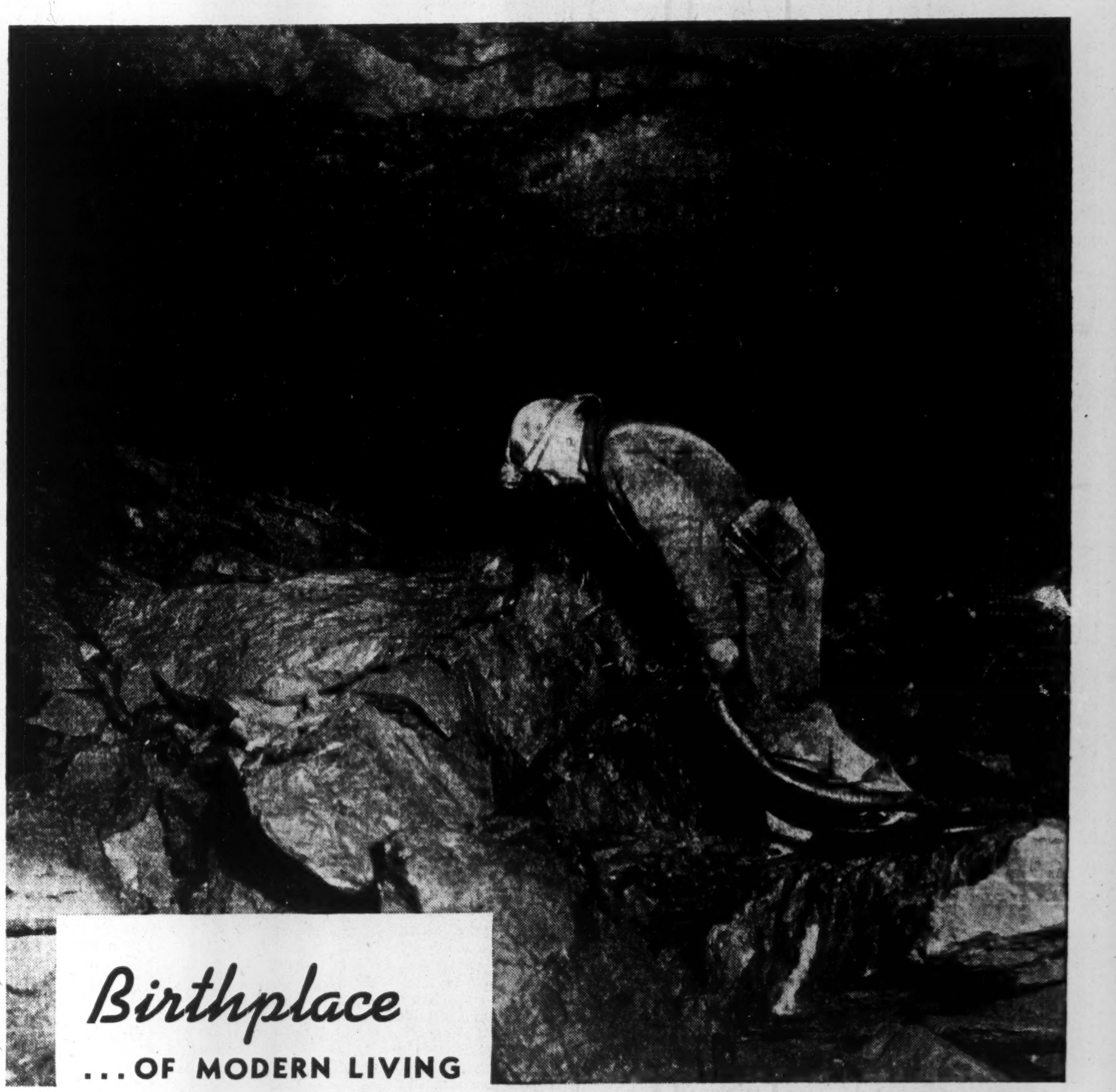

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Sylvanite Gold Mines, Limited

(NO PERSONAL LIABILITY)

Incorporated Under the Laws of the Province of Ontario
Authorized Capital $3,300,000.00

OFFICERS AND DIRECTORS

Edward L. Koons .... *President*
Welles V. Moot .. *Vice-President and Managing Director*
Clark L. Ingham .... *Treasurer*
William S. Walton .... *Secretary*
Harry Yates .... *Director*
Alfred H. Sharpe .... *Director*
Lewis R. Gulick .... *Director*
Kenneth C. Gray .. *General Manager*

HEAD OFFICE:
KIRKLAND LAKE, ONTARIO
BUFFALO OFFICE:
314 ERIE COUNTY SAVINGS BANK BLDG., BUFFALO, N.Y.

Labor Shortage Hits B. C. Metals

But Output Holds Fairly Well in 1943

Due to the labor shortage, even the British Columbia non-ferrous metal industry experienced a slightly lower output in 1943 than in 1942. Production for the year, including a small amount of high price bonus zinc output, was only $34.8 millions against $35.3 millions for 1942.

Production of strategic minerals however, showed an increase which more than made up for the decline in output of commoner non-ferrous metals.

Situation At Smelters

Even the western-producing colossus, **Consolidated Mining & Smelting Co.** found it impossible to keep up the company's record output of metals in 1943. This was largely due to loss of skilled men to war services, but could also be traced to lower efficiency on the part of the labor force it proved possible to maintain.

But as President S. G. Blaylock points out, Smelters, the backbone of B. C. base metal mining, is in a position to be a most important factor in postwar Canadian prosperity when more men can be secured. The company will not only re-hire 2,000 former employees now in active service, but a large proportion of men engaged as replacements will probably also be absorbed. Plans are already being laid for new developments which it is hoped will provide increased employment in the years following the termination of the war. Money for such developments has, in part, already been set aside.

Postwar Outlook

Of the postwar outlook from the Consolidated Smelters' standpoint Mr. Blaylock declares as follows:

> "We are facing the postwar years with confidence in the ability of our technical staff to continue developments, increase the efficiency of chemical and metallurgical processes, so that the company may be able to meet competition and maintain production."

Granby and the **Britannia mine** of Howe Sound Co.—both hard hit the last two years by labor shortages—have had an added problem since Dec. 31—marketing. After war conditions had become very difficult, the companies late in 1942 made arrangements to sell their output to the United States Metal Reserve Co. on a basis which allowed continuation of operations.

But contracts expired at the end of 1943 and ability to maintain possible operations have since been an open question. The Granby management has already intimated that inventories are to be reduced and that reductions in staff and operating crews are inevitable. If some "encouragement" is offered by the Government, operations may be continued for many months, it is stated.

Howe Sound's Britannia mine at Britannia Beach, B.C. appears in little, if any, better position than Granby. The company has been dogged by the same shortages of labor and increased costs traceable to higher wages now being paid.

But a large tonnage of copper is being produced by the two mines and it would appear that the Government will not allow hasty shutting down of the two mines when a vital war metal such as copper is concerned. But copper production is already being reduced in Africa.

Base Metals Mining Corp. was forced to curtail operations temporarily Jan. 2 through destruction of its power plant by fire recently. The company has made distinct progress in building up its working capital position and while no major discovery of new ore has been made, considerable success has been experienced in replacing tonnage of ore removed.

Several British Columbia base metal properties brought into production at a time when the non-ferrous metals shortage appeared most acute may be affected in any early cutting of production quotas.

U. S. Finances Mills

Most of these mines were placed in production under contracts with the U. S. Metals Reserve Company which entailed payment of higher bonus prices for metals produced. Contracts in some instances, called for payment of what approximated a royalty per pound of copper, lead or zinc produced. As this production is some of the highest cost in this country, possibility is that the United States will take advantage of any "escape" clauses at the first opportunity.

Although the United States Government, through the Metals Controller, put up funds for mill construction (this was the case with Twin "J" Mines, Florence Mining Co., etc.) the property owners are granted the right to reacquire plants on the basis of either amortized or appraised value, whichever is less.

Gold Aids Twin "J"

In the case of Twin "J" Mines, a considerable quantity of gold and silver occurs along with copper and zinc values and it is quite possible that this Vancouver Island producer, which commenced production in mid-1943, may be able to continue operations not only for balance of the war but on into the peace.

Zincton Mines [illegible] big producer of zinc, which is [illegible] little scarcer than copper [illegible] the company finds it [illegible] accept a lower price for zinc when current marketing arrangements end, it is quite possible that an improvement in other directions may offset the effects of a lower zinc price. The company has been very short of labor, production has been substantially below capacity, and when a larger and more efficient work crew is available, and capacity operation is achieved, a good chance would seem to exist for bringing down unit costs to a level where the company will be able to continue in competitive production.

Florence Mining Co., which acquired the old Kootenay Florence from the bankrupt estate of Kootenay Florence Mining Co., may be able to stage a return of profitable operations for this western lead-zinc operation.

A resurvey of old workings and the carrying out of further development has outlined a substantial tonnage of good grade ore. A lot will depend on the course of metal prices as to this company's future. It is one of those companies financed through the U. S. Metals Reserve Co.

In a few short war years, British Columbia has emerged as one of the important world producers of mercury. The **Pinchi Lake** property of Consolidated Mining & Smelting Co. has been equipped to handle over 1,000 tons of ore daily, it is stated, and a large volume of mercury has been available for export due to this one mine.

While the need for mercury has diminished greatly and the United States is reported to have cancelled its contract with Consolidated Smelters, the Pinchi deposit appears to be of sufficient richness to suggest that continued production in peacetime is likely, if not assured.

Bralorne Mines, a Bridge River gold producer, has also a "winner" in the mercury picture. Its Takla Lake property reached production only recently. The property is reported to be rich and officials hope that production can be maintained over an extended period.

Other Ontario Golds

(Continued from page 26)

company has over $1 million liquid assets to finance proposed program.

MACLEOD-COCKSHUTT GOLD MINES—With severe shortage of labor experienced, ore reserves declined approximately 350,000 to 726,030 tons in the company's 1943 year. But remaining reserves equal to approximately 3½ years' milling requirements. Opening up of north ore body on four new levels to 1,750 ft. depth planned and is expected to result in strengthening of ore position. Difficulty reported in maintaining milling rate at reduced level of 400 tons daily.

MADSEN RED LAKE GOLD MINES—One of the mines earmarked for expansion after the war, Madsen has the largest reserve of any property in the Red Lake area and some of best "prospecting ground" for finding further ore. Mill capacity is 400 tons daily, but expansion to 800 or 1,000 tons would seem warranted when greater supply of labor available and mine put in shape to deliver larger tonnage to mill. Average recovery has shown a tendency to increase since mine placed in production in 1939. Working capital adequate to take care of expansion when this can be completed.

MAGNET CONSOLIDATED MINES—Production suspended late in 1943 for duration due to decline in profits and inadequacy of available labor supply. Ample funds on hand to allow resumption of production when conditions more favorable. When work resumed, proved and indicated ore on existing levels should be sufficient to keep mill operating at capacity for a year or more with good chances for further ore development.

McKENZIE RED LAKE GOLD MINES—Like Madsen, McKenzie Red Lake is mine where expansion warranted but where plans deferred due to war. Company's north mine continues to respond with fine sections of new ore and new north sector may possibly exceed main mine in importance if this hasn't happened already. Expansion will allow treatment of large tonnages of lower grade ore on which not much profit made at present.

McMARMAC RED LAKE GOLD MINES—Geological study made in effort to locate new sources of profitable ore. All ore so far taken from one zone, but new series developed which may result in ore discoveries. Some improvement in labor position noted.

NORTHERN EMPIRE MINING CO.—This company continues active in search for new properties, although its two main interests—Magnet Consolidated Mines and Sand River Mining Co.—both closed for duration. Substantial cash assets remain to finance further ventures.

PICKLE CROW GOLD MINES—With north mine responding to development and somewhat better results attending mining of lower sections of main Howell vein, Pickle Crow has improved its position considerably. Production severely affected by the war—and no adequate relief for the manpower shortage yet in sight—but company doing best it can with manpower available. Ore reserves sufficient for five years' milling requirements in main mine with large additional tonnages indicated in new north mine workings.

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Sulphuric acid, made in Canada to supply an essential ingredient of manufacture for many widely distributed industries, works for the farmer also, because, when chemically combined with phosphate rock, the result is the super-phosphate so essential to mixed fertilizers. Again, there are the salt wells at Windsor, Ontario, from which, in addition to your table salt, Chemistry produces chlorine and caustic soda, both indispensable in many different industries.

Throughout the war Chemistry has served Canada well—just as in the years before the war. When peace comes, Chemistry will take its place among the factors helping to build a great nation. Present-day services to humanity of the products of Industrial Chemistry are but an indication of future services in providing new products, new materials, new processes, to meet the demands of a restless, progressive post-war world.

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. . . The Gold Mines of Ontario

are destined to play an important part in Canada's post-war reconstruction. Under the most difficult and trying conditions, the gold mining industry has endeavoured to maintain the mines in a position to absorb the maximum number of men at the end of the war. If the industry is able to expand, more work will be created in the factories, in the foundries, in the forests and on the farms.

Lake Shore Mines, Limited, is proud to be part of an industry which has done so much for the prosperity of our country and which can continue to do so in the post-war period. This Company's contribution to the economic life of Ontario and the rest of the Dominion is revealed in the following statistics for a pre-war year:

Year 1938

Dominion Taxes Paid	$914,807.45	
Provincial Taxes Paid	498,609.81	
Municipal Taxes Paid	20,686.36	
		$1,434,103.62
Wages and Salaries		3,106,610.48
Materials & Supplies Purchased:		
Forest Products	$420,538.00	
Machinery, Machines & Parts	248,878.00	
Iron & Steel Products	296,757.00	
Explosives	151,957.00	
Other Manufactured Products	451,997.00	
Coal	19,972.00	
Backfill	111,727.00	
Power	400,404.00	
Miscellaneous	211,760.00	
		2,313,990.00
		$6,854,704.10

A Tribute to Our Employees . . .

We are deeply indebted to the two hundred and sixty Lake Shore employees serving in His Majesty's Forces in the air, on land and on the sea.

Wherever there has been special work to do—in England, in Gibraltar and elsewhere—our miners have distinguished themselves. Our best wishes follow them wherever they are.

★

Others of our employees have splendidly assisted the war effort by their purchases of Victory Bonds and War Savings Certificates. The following is their record of purchases during the various loans:

	Number of Employees	Total Subscriptions
Second Victory Loan	750	$58,050.00
Third Victory Loan	699	55,700.00
Fourth Victory Loan	587	67,250.00
Fifth Victory Loan	542	63,250.00
War Savings Certificates Purchased		126,013.50
		$370,263.50

LAKE SHORE MINES LIMITED
KIRKLAND LAKE ONTARIO

Rich Iron Resources Join War Sinews

Great Spurt in Output Coming With Steep Rock Entering Production

Iron mining in Canada today is a far cry from the early days of the 18th century when bog iron ore was first mined and smelted in the Province of Quebec.

After being entirely suspended in the 'twenties, production of iron ore was recommenced not so long before the war with the New Helen mine in the Michipicoten district, Ontario, placed in production of iron sinter or concentrate.

But production of beneficiated iron ore from the New Helen mine, while important, appears to be but a sign of things to come as Canada enters into 1944. In several directions, signs are not lacking but this country will soon join the United States as one of the substantial iron mining countries of the world.

Among key factors which presage new important iron mining in Canada are:

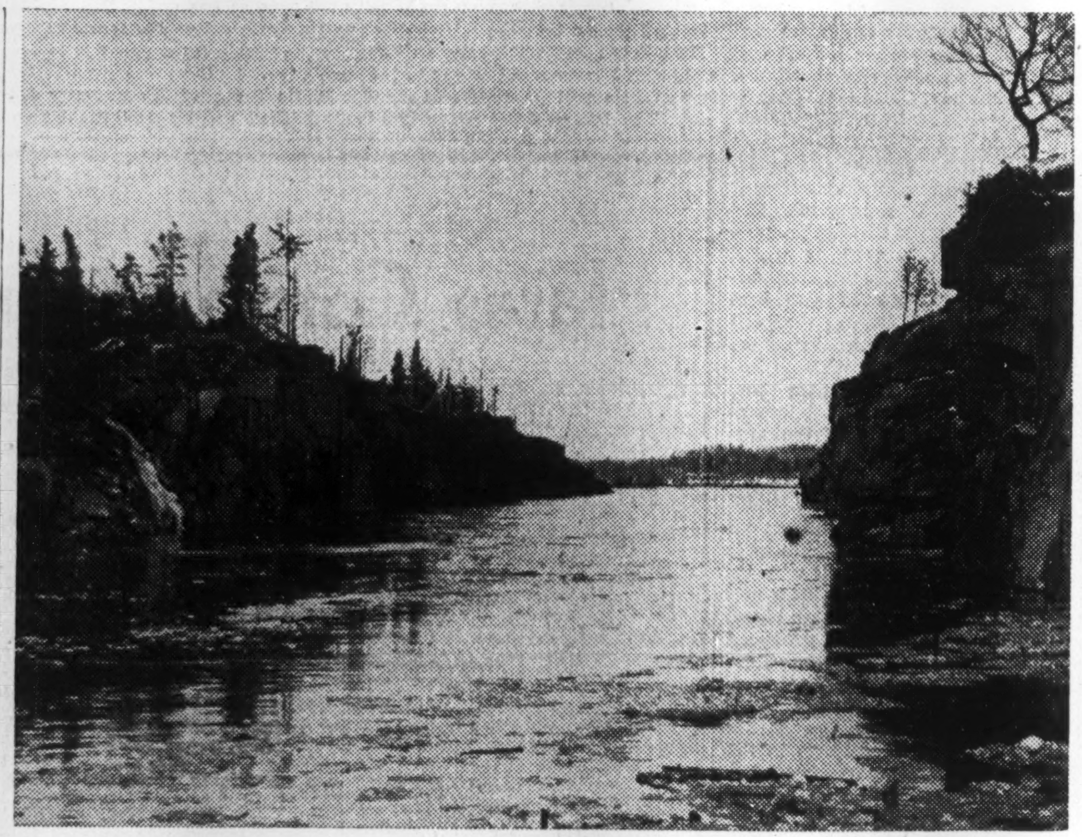
1. Scheduled completion of the huge Steep Rock Iron Mines project in mid-1944—equipped to produce two million tons of exceptionally high grade hematite per annum—with possibly 500,000 tons to be turned out before the end of this year.
2. Opening of the Josephine hematite and Ruth siderite projects of Michipicoten Iron Mines, presenting possibilities for turning out either hematite lump ore, sinter concentrates or both.
3. Discovery of the great Goulais Iron range of Algoma Steel Corp. in the Michipicoten area, rated the largest known deposit of magnetite in the Dominion.
4. Greater knowledge of iron mines in British Columbia, which, combined, offer possibilities for a west coast iron and steel industry.

Besides these most striking situations there are a number of other outstanding iron possibilities.

Sherritt-Gordon and Frobisher Exploration Co. have partially outlined a substantial deposit of manganese-bearing hematite at Strawhat Lake near Steep Rock. The Iron Mountain property near Sudbury offers possibilities for turning out large tonnages of iron sinter when the shortage of high grade iron ore becomes more acute.

Far north, in Hudson Bay, the Belcher Island deposits remain a rich but untapped source of iron ore for another day.

In New Brunswick, the old Bathurst Mine was placed in production in 1943 when shipping interrupted iron ore supplies from the great Wabana deposits of Newfoundland, which are among the world's largest.



This is the new "river" between Marmion or Moose Lake and Finlayson Lake. Water is flowing west. Before the diversion was arranged the river would have flowed west as Finlayson had a higher surface level. But Finlayson's surface was lowered by a special tunnel, permitting water to flow from Moose Lake to Finlayson as desired.

In eastern Ontario, a number of iron properties are known which produced years ago and whose possibilities are not exhausted. Tomahawk has been building a road into its Hastings Co. property where a hematite deposit is reported.

But of all Canada's interesting new iron properties none is more "glamorous" than that of Steep Rock Iron Mines. This property with its iron riches below the quiet waters of Steep Rock Lake is expected to soon yield its secrets to the light of day.

With the major item of isolation of the great part of Steep Rock Lake from the Seine River water system completed by diversion of the Seine River, pumping out of Steep Rock Lake is now proceeding steadily. Pumping equipment has exceeded rated capacity, water has declined at better than the expected rate indicating there are no "underwater rivers,"—the surface is down over 20 ft.—and it will not be long now until the big hump, which includes the "B" ore body, projects above the surface of the lake. Monitors on a small dredge are expected to facilitate overburden removal preparatory to undertaking "B" ore body mining.

Taking in cost of reaching production, financing a 120-mile power line, terminal loading facilities at the head of the lakes and a spur railroad line, over $10 millions is being expended to make Steep Rock's iron available to steel industries of the United States and Canada.

First mining will be of ore from the "B" ore body because this deposit is the most accessible and lends itself to open pit mining. Engineers agree that over 20 million tons of high grade iron ore have been proven and indicated by drilling carried out. The bulk of this will be available to open pit mining. In the "A" zone, over 11,000,000 tons of proved and probable ore for open pit mining is estimated.

The more deep-seated "C" ore body in the East Bay area appears to have a large tonnage of high grade iron ore, from the limited work carried out, but this deposit will remain as a reserve for the future.

While pumping out of the 125 billion gallons of water in Steep Rock Lake is only now well under way, the company's schedule, which has been more than maintained, calls for shipment of ore next August.

Marketing arrangements have been completed with United States interests and no difficulty is anticipated on this score. Financial arrangements assure that control will remain in Canada even though a large part of the financing was completed in the United States. While most of the ore is expected to be exported south, it will also be available for Canadian industry and it has already been offered for sale in Canada!

Michipicoten Stature Grows

Close to where the Algoma Ore Properties, subsidiary of Algoma Steel Corp., is turning out more than 400,000 tons of sinter a year, the Sherritt-Frobisher financed operations of Michipicoten Iron Mines has been taking on stature.

Michipicoten Iron Mines has three properties—the Josephine hematite deposit which has been developed from a shaft sunk over 1,000 ft., the adjoining Ruth siderite property which has not been explored underground but which, from drilling, is known to possess a great tonnage of siderite iron ore, and the Lucy property which has extensive but untested showings of siderite.

In May, 1943, reserves in the central sector of the Josephine mine totalled 1.5 million tons, grading approximately 51% iron while reserves of siderite at the Ruth property were estimated at 28.6 million tons grading about 30% iron. Undesirable impurities were not high.

Production plans have been entertained for these properties, but no specific proposal has been arranged to date.

Biggest Magnetite Deposit

With 70 million tons of magnetite outlined in extensive diamond drilling which has not yet fully determined the possibilities, the Goulais River iron range rates as one of the most important deposits developed on the North American continent in recent years. It is Canada's largest known magnetite deposit. While grade of ore does not run high in comparison with a property like Steep Rock, tonnage is exceptionally large, the ore is amenable to sintering, and the deposit is only 50 miles from the steel plants of Algoma Steel Corp., Sault Ste. Marie, Ont.

It appears quite possible that Algoma Steel Corp. may "repeat" with Goulais River its experience with its new Helen deposit.

Projects such as those of Michipicoten Iron Mines and the Goulais River are definite possibilities for the Ontario iron ore bounty. In fact, development of the Goulais River property has been attributed to the fact that Ontario will grant such a bounty.

There has been little news recently concerning the iron ore body of Strawhat Lake, but this deposit would appear to be somewhat more accessible than that of Steep Rock Iron Mines. It would seem possible that this property might be placed in production in a relatively short period. Further diamond drilling appears likely before any development plans are undertaken, however.

For years the Iron Mountain deposit, not far from Sudbury, has been known, but remote location of the property and reported difficulties in the way of economic concentration have apparently left this property in the limbo of forgotten things recently. But iron deposits are becoming scarcer now and this property may reenter the iron mining picture later on.

In British Columbia, investigation of the possibilities of iron ore deposits and the possible market has been almost a continuous study for a period of years. Skilled engineers retained to look into the project say that production of steel in British Columbia could prove quite economic on the basis of known resources of iron.

There are a considerable number of deposits both on Vanouver Island and the mainland.

Smelters Gets More Power

From Our Own Correspondent

VANCOUVER.—First units of the $9.2 million power project for the Consolidated Mining & Smelting Co. on the Kootenay River at Brilliant will start delivering power about May 1. The construction started in the spring of 1942 to provide additional energy for Smelters' plants engaged in war production.

When the West Kootenay Power & Light Co., a Smelters subsidiary, in March, 1940, completed an extension to its Upper Bonnington plant, thereby adding 50,000 h.p. to its effective capacity, it was believed that this would provide sufficient power for many years. However, increased power requirements of the new government plants at Warfield and the additions to the company's load for increased war production absorbed the entire supply of added energy, and maximum production was prevented by the shortage, without any provision against the effects of high or low water periods.

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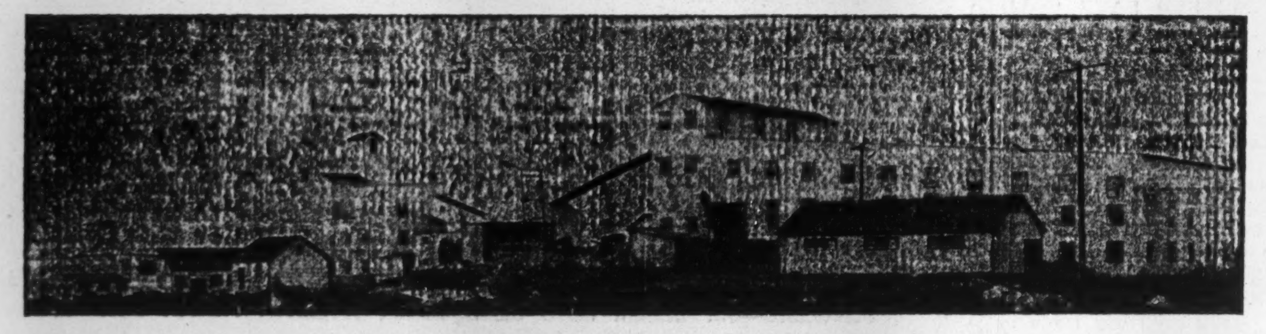

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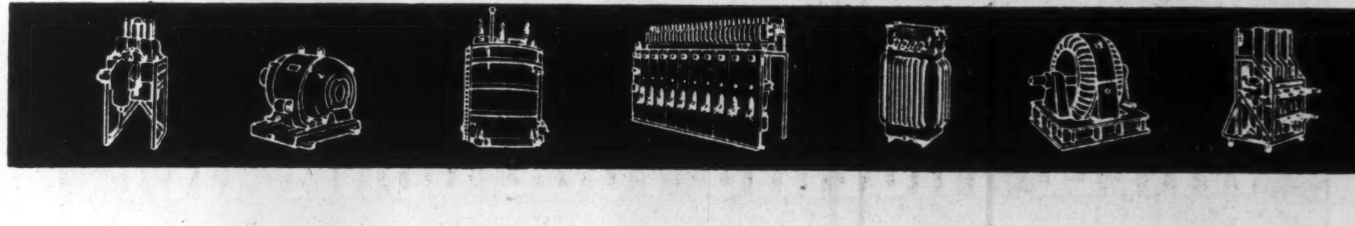

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Market Aids Mines Financing

In Strong Position for New Mine-making Endeavors

With gold stocks driving into new high ground and interest in the search for new mining deposits undergoing a marked revival, mining finance and holding companies may be on the eve of one of the best periods in their history.

So far they haven't been participating in financing new projects on an extensive scale, due possibly to continuing war restrictions, but as a whole, these companies are well fortified with liquid assets and possess imposing portfolios of better grade gold and base metal stocks.

The "duds" of other years have been written off and big mines like Kerr-Addison, La Luz, Falconbridge, Normetal and Beattie appear likely to spell greater prosperity in more normal times.

Interested in War Projects

By far the most active mining finance company in the search for strategic minerals, **Ventures Ltd.** has seen most of its major war projects through to fruition, and attention is shifting to gold and other minerals of postwar interest. Through Frobisher Exploration Co., now the chief medium for field work, investigation of the Giant Yellowknife property in the North West Territories is being carried out and further work is planned on the Obaska Lake ground in Quebec. Other gold showings are reported attracting attention.

Ventures stands to gain materially by any improvement of present difficult war conditions. Already there are signs that La Luz Mines, Nicaraguan gold project and one of the most important gold mines placed in production in America in recent years, is likely to receive more consideration on securing supplies from United States sources. Through La Luz, Ventures has been able to carry on exploration for minerals outside Canada with some success.

Falconbridge Holding Large

Ventures owns almost 1½ shares of Falconbridge Nickel for each of its own shares outstanding. While hit by the labor shortage, Falconbridge has enlarged its plant materially and it may experience improved earnings the latter part of this year. As Ventures Ltd. owns almost 1¼ shares of Beattie Gold Mines for each of its own shares outstanding, the recent discovery of high grade ore on the Beattie property is an event of significance.

Mining Corp. Does Better

Mining Corp. of Canada, which has a similar issued capital as Ventures—1,754,006 shares compared with 1,787,416—has improved its position materially both as to quality of investment portfolio and working capital position in recent years.

Besides its holding of 81,287 shares in Hudson Bay Mining & Smelting Co., the company controls or has important interests in a number of other operations.

Normetal Mining Corp., northwestern Quebec, copper-zinc producer in which 2,386,665 shares are held, is a most important interest and one from which dividends appear likely before long.

In Jerome Gold Mines, in which 1,640,308 shares are held, Mining Corp. has a gold property of merit where production has been temporarily suspended for duration.

Anglo Knows the Ropes

With much of the company's money invested in such substantial gold producers as Kerr-Addison Gold Mines (both directly and through Proprietary Mines, which it controls), Lamaque and Sigma Mines, **Anglo-Huronian** has fared well in recent years. Net liquid assets as at Nov. 22, 1943, were equal to $8.29 a share and it is quite possible that this figure has been improved upon since.

Latest available break-up of the company's portfolio is as follows: Gold mines—77.34%; U. S. oils—12.67%; bonds and cash—4.64%; base metals—3.77%; manufacturing—1.58%.

Several gold mining properties are held by the company on which it is planned to do further work as soon as conditions permit. These include Laguerre in the Larder Lake area and a property in the Monteith area, northern Ontario. A big interest is held in Amalgamated Larder and a substantial interest was recently acquired in Omega Gold Mines which adjoins.

Earnings for the year ended July 31, 1943, were equal to 42 cents a share compared with 28 cents a share in the preceding year.

Beattie Helps Nipissing

Nipissing Mines Co. hasn't been very active in the development field in recent years but holds over 1.4 million shares of Beattie Gold Mines which has become an exceptionally valuable asset due to new gold discoveries in that company's property.

The company has also several properties in the United States which are of potential value.

Cash investments of the wholly-owned operating subsidiary, Nipissing Mining Co. amounted to $4,400,413 at Dec. 1, 1943, compared with $3,089,287 at Dec. 1, 1942. The company had no current liabilities except unimportant current monthly accounts, liability for 1943 taxes and a dividend of $120,000 which was paid Dec. 23.

Earnings in 1942 were equal to 10 cents a share.

Holds Big Kerr Block

Proprietary Mines has practically a $10 million asset in its holding of 1,011,875 shares of Kerr-Addison Gold Mines. This holding which works out at better than 1.1 shares of Kerr-Addison for each Proprietary Mines share outstanding allows Proprietary to distribute as much per share in dividends on its stock as Kerr-Addison pays.

There are several other strings in the Proprietary bow besides Kerr-Addison which may be important after the war.

Earnings for year ended Aug. 31, 1943, were equal to 30 cents a share compared with 60 cents for the preceding 20 months.

Sells Omega Holding

Liquid position of **Castle-Trethewey Mines** was strengthened recently by sale of company's interest in Omega Gold Mines for **$250,000.**

Marketable securities, exclusive of shares in Omega Gold Mines, had a market value of $3.5 millions at Mar. 31, 1943, as compared with a book value of $1.6 millions.

Outstanding capital is 2.7 million shares.

Holdings Widespread

With far-flung gold mining interests in such places as Saudi Arabia, Nicaragua, eastern Canada and western Australia, **Premier Gold Mining Co.** has experienced its share of difficulties due to the war, but it appears that improved conditions may be on the horizon now with the end of the war apparently much closer.

Improved ore results at Toburn Gold Mines in East Kirkland have brightened the Premier situation somewhat since Premier owns 1,490,006 shares of that company.

Premier has outstanding 5,000,000 shares.

Earnings in 1942 were 7.7 cents a share. A further decline in earnings may have been experienced in 1943 due to a temporary reduction in dividend income.

Holds Big Mica Mine

A diamond drilling, development, holding and mine financing company, **Inspiration Mining & Development Co.** has benefitted from one of the most important strategic mineral finds of the war — Purdy Mica Mines. Altogether Inspiration received 1,430,000 shares of Purdy of which 500,000 shares were sold in the fall of 1943 for an unstated amount.

Including securities at cost which was approximately $250,000 above market value, working capital totalled $1.3 millions or approximately 65 cents a share at the end of 1942.

Since the company's investment portfolio included large blocks of gold shares, including 200,000 shares of Malartic Gold Fields, over 125,000 shares of East Malartic, over 100,000 shares of Sladen, etc., it appears that substantial appreciation in investment portfolio values may have taken place since.

Improved market quotations appear to have enlarged investment portfolio values for Howey Gold Mines. This portfolio, at last report, held approximately 650,000 shares of East Malartic Mines and about 150,000 shares of Teck-Hughes.

Along with others, the company was instrumental in forming East Amphi Gold Mines on a property in the northwestern part of the Malartic area and a shaft may be sunk to investigate drilling results after the war, it is reported.

Over the last three years, a substantial improvement has taken place in the position of **Transcontinental Resources.** Not only has funded debt been cut by over half, but Steep Rock Iron Mines, in which 400,000 shares is held, has progressed well along the way to production.

Recently the company has been financing Marbenor Malartic Mines which has interesting diamond drill indications in the northern part of the Malartic area.

Northern Canada Mines, which has been active in the Snow Lake area, but without conclusive result as yet, held over 500,000 shares of Kirkland Lake Gold Mining Co. at last report. New ore opened recently by Kirkland Lake Gold Mining Co. tends to improve the outlook for Northern Canada.

With only a million shares of stock outstanding, the value of Kirkland Lake Gold mining shares alone is equal to over 50 cents a share for each Northern Canada share outstanding. The company has been co-operating with Pioneer Gold Mines and others in the search for new gold properties of merit.

Coniagas Mines continues to hold 437,700 shares of Coniaurum Mines and 910,042 shares of Sturgeon River Gold Mines.

Besides these, the company has a substantial portfolio of revenue-assets. Over a period of years, the company has followed a conservative investment policy and has written off all its exploration costs as current expense.

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Say Omega Might Mill Ore From Amalgamated

Acquisition of 2,501,094 shares of Omega Gold Mines, formerly held by Castle-Trethewey Mines by Noranda Mines and Anglo-Huronian for $100,000, brings the Omega property under control of the Noranda-Anglo-Huronian group which also controls the Amalgamated Larder property immediately to the east along the Larder Lake break and the Kerr-Addison property beyond that to the east again.

While no new plans are reported yet, it is considered possible the Omega mill may be made available for milling ore known to exist on the Amalgamated Larder property, a consolidation of the former Barber-Larder, Cheminis, Fernland and other claims. Three of these properties opened up ore in underground work.

Sale Excites Dealers

Sale of the large block of stock at about 4 cents a share and purchase of Omega's indebtedness from Castle-Trethewey—valued at $151,015.75, it was bought for $150,000—created considerable interest in financial circles. Omega shares the day before the deal was announced sold as high as 50 cents. After it was announced, they broke to 26 cents a share* before recovering somewhat. No mention was made in the sale announcement of new higher grade ore showings which had been reported recently and to which previous strength in the company's shares had been attributed.

Castle-Trethewey shares sold lower on the news that shares which had a $1.2 million market value had been disposed of for $100,000.

Statement Given

A statement released by Noranda and Anglo-Huronian, covering the Omega deal, states, in part, as follows:

"The governing factor that influenced the purchasers in completing the deal was their already established large interest in the Larder Lake area. The future exploration and development of adjoining holdings of Amalgamated Larder Mines as well as of the Omega ground should be facilitated by close association of the two operations.

"The fiscal year of Omega is from April 1 to March 31 and for the period from April 1, 1943, to Dec. 31, 1943, the estimated loss (after depreciation) is approximately $56,678.

"If the mine were shut down until the termination of the war and then operated on the basis of 400 to 500 tons daily without any expenditure on development it would seem reasonable to expect a total profit of approximately $200,000 after allowance for taxes. To exhaust present known ore reserves on the above production rate would require a period of about 2½ years. To continue operations on a profitable basis under present conditions of low tonnage and high costs would require elimination of development work and concentration on the extraction of higher than average grade ore. Such a policy while providing a temporary profit would in the end result in the lowering of the grade of remaining ore to a point where a considerable tonnage would be reduced to nonprofitable grade.

"Any program of exploration on Omega ground awaits further study and discussion but it may be stated that down to the 1,800-ft. horizon there is a length of 10,000 ft. on the strike of the so-called Larder Lake 'break.' About 3,500 ft. of this length has in the past been fully or partially explored on the upper horizons of the mine.

"The new controlling interests will very shortly take over responsibility for operations."

Depth Richer At Coniaurum

Work Limited But Two Deepest Levels Show Pleasing Indications

While production and profits showed declines at Coniaurum Mines in 1943, limited development carried out on two deep levels at 5,250 and 5,500 ft. depth have been indicative of a strong improvement in ore conditions at depth.

Disclosures to the present stage of advance have been of a most favorable character, opening up ore structure over widespread areas to the east and west of the Bishop sub-shaft.

On the 5,250-ft. level the M-2-11 crosscut has been driven 1,500 feet to the west along the north porphyry mass. The No. 52 vein has been disclosed extending down from the 5,000-ft. level; important lengths and widths are suggested by drilling completed.

East of the shaft No. 51 vein has been drifted on for 300 ft. carrying mine average grade ore across 4 ft. To the north of No. 51 vein, the No. 46 vein structures are now under development.

On the 5,500-ft. level crosscutting is being carried out to the west to open the section below the No. 52 vein and the north porphyry zone. A crosscut is being advanced to the east to explore below the No.'s 46 and 51 zones.

The broad program of advance development completed over a period of years has resulted in the maintenance of the mine in a strong, sound ore position. Large areas, however, remain to be explored. This seems to be more pronounced to the east in the zones bounded by the intrusive porphyry masses and in which recent development advance on the lower levels has disclosed highly favorable geological structure.

It appears possible that normal production could be resumed in a relatively short time when labor and supply conditions permit.

Operating profit for 1943 is estimated at $398,671 compared with $614,787 in 1942. Declines in production and profits during 1943 may be attributed to a 50,000-ton reduction in ore milled. An average of only 309 tons of ore was treated daily as against 450 tons in the previous year and 520 tons normally.

Part of the decline in production may be attributed to the management's desire to keep the mine in condition and development fairly well in hand. This policy possibly is resulting in some slight reduction of earnings now but appears likely to be more than repaid when conditions return to normal.

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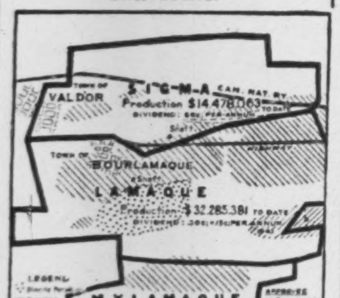

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Beattie Gold Offers Rights

To Raise Over a Million For Rehabilitation and Donchester Shaft

To provide for $725,000 of indebtedness incurred in rehabilitation and to allow financing of further costs expected, Beattie Gold Mines (Quebec) proposes to raise over $1 million by an offering of rights to shareholders. Shareholders are being offered one new share at $1.50 for each seven shares held on Feb. 25, 1944. Rights expire Mar. 15.

A total of 714,286 shares are to be made available for subscription under the offering of rights. To permit the rights offering, shareholders are being asked to approve an increase in authorized capital from five to six million shares at a special meeting Jan. 28.

President's Statement

President W. B. Maxwell describes progress made in rehabilitation and financing proposals, in part, as follows:

"The Beattie mill is operating on about 600 tons per day. This ore is being obtained from the A ore body on the old Beattie property and from development work in the new Donchester ore body. It is expected that this tonnage rate will be maintained or increased as work progresses in the Beattie mine and as the Donchester shaft is completed and further development work done on the new ore body.

"Regarding the new ore body that was found on the Donchester claims and reported at the last annual meeting, due to the necessity of using all available labor and mining facilities for rehabilitation purposes and getting the mine back into production, no further diamond drilling work has been done to explore this ore body.

"We have, however, during this period, by working through the Central Duparquet mine shaft, prepared five stopes to be ready for production when the Donchester shaft is completed. About 12,000 tons of ore resulting from this preparation work have been hoisted and put on a dump and this ore is now being hauled by trucks to the Beattie mill. It is expected to have the Donchester shaft and plant in operation early in March. Slowness in delivery of supplies and equipment and shortage of miners have delayed the whole program somewhat.

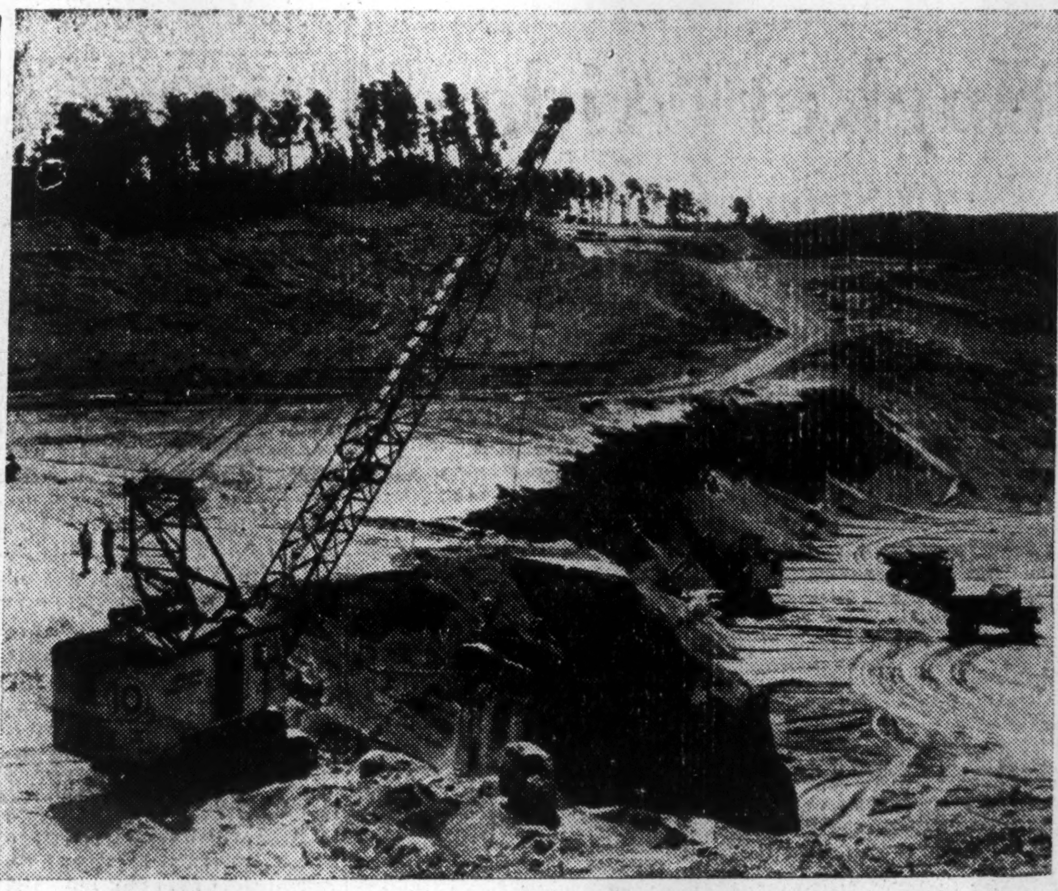
"The estimated financial position of your company, as at Feb. 1, 1944, shows an indebtedness of $725,000, consisting of a $500,000 loan from The Canadian Bank of Commerce and $225,000 loaned to the company by Ventures and Nipissing Mining Co. During the period from February to May inclusive, the estimated costs for plant operation, clay removal, completion of the Donchester shaft and plant and filling the glory hole are approximately $775,000. This makes a total of $1,500,000, but during this period it is expected to mill 106,000 tons of ore from which an ultimate recovery of 13,810 ounces of gold should be made, having a value of about $530,000.

Donchester Takes $450,000

"It cannot be predicted at what rate the gold will come out of the mill circuits but the amount that is shipped in bullion will be a credit against the costs for the period. Assuming that bullion shipments are normal, it will be noted from the above estimates that before the company is back on a self-supporting basis the indebtedness will be in the neighborhood of $1.1 million. Approximately $450,000 of the above sum will have been spent on the new Donchester shaft, plant, and development of the new ore body.

"At a meeting of your board of directors, methods of financing were discussed and it was decided that the company would be in a better general position if at the end of the rehabilitation period, with the plant again in operation, funds were available for intensive exploration work on the new Donchester ore body and on your company's other extensive holdings, and for dividends, than if it were faced with the repayment of large loans over an extended period. Consequently, it was decided to recommend increasing the capitalization of the company to 6,000,000 shares and to offer to shareholders rights to purchase 714,286 shares at $1.50 per share on the basis of one share for seven, as per the enclosed formal offer.

"In conclusion, we wish again to remind the shareholders that the problem of removing the clay and rehabilitating the Beattie mine is one without precedent. Expert engineering advice has been obtained and progress is being made. We feel that the complete removal of the material from the mine will be achieved, but not without disappointments and interruptions."



Removing overburden has been a man-sized job at many mines. International Nickel, Dome, East Malartic, Hollinger, and many others, have tackled mining of ore at surface as a means of securing a large tonnage of low cost ore for milling. Grade of ore may run low but low cost of mining offsets this.

Canadian Mining Meets Challenge

(Continued from page 17)

to gold mines is indeed a small price to pay to prevent damage of possibly permanent character to a basic Canadian industry.

Suggestions have been advanced that gold mining provide employment for a substantial number of men after the war. But if minimum operating crews are not allowed today, mining men say that the ability of gold mines to employ substantial numbers of men after the war will be open to question. They say that some mines have been getting along with crews well below minimum requirements—by drawing on reserves of broken ore. But it is pointed out that some mines' broken reserves are fast becoming a thing of the past.

Mining conditions generally are changing rapidly; an entire new "climate" is undoubtedly required to meet these changes. The decline in finding of mines alone is enough to make changes necessary. Ahead lies another development of related importance. As higher grade ore bodies are worked, mines will be turning more and more to treatment of larger tonnages of lower grade ore. The effects of taxation thus come to the fore again requiring further consideration of mining "climate."

All the factors are not on the unfavorable side, it can be stated. When the war is over, Canada will have a steel industry able to take care of mines' requirements as never before. New alloys will be used to provide an abundance of light weight operating equipment.

Canadian Pacific Air Lines is even now establishing a new string of mining fields through the north country in anticipation of a postwar boom in mining development. Helicopters are mooted for transporting prospectors into areas previously rather inaccessible by any means of transportation.

The recent stock market boom has made available huge sums of investor money for participating in new mining development where it appears that fair prospects of success exist. Recent market action of one or two mining issues have shown that the public has still a very real desire to get into new enterprises which they believe offer real money-making chances.

Wonderful possibilities in the field of industrial minerals and light metals have been revealed by wartime research and a fertile field for research is presented. This particular field has apparently only been scratched.

While the "squeeze" on the spread between costs and sales revenue has been affecting both base metals and golds, relief appears likely in two directions — when a more adequate supply of labor available.

First, greater efficiency can be expected after the war when skilled miners overseas return.

Secondly, carrying on of operations at capacity with a full working crew will unquestionably reduce unit costs and restore more adequate operating ratios.

Besides this, a more adequate flow of supplies and replacement parts is to be expected after the war, assisting efficiency.

Research

Some factors which while not of great import individually will aid mines in securing peak efficiency.

Research on silicosis has done wonders — and reduced silicosis assessments are a possibility.

Research on rock bursts has been "paying dividends" and mining programs can be laid out in future to avoid many of the dangers that the rock burst problem can present.

And when rock burst conditions do develop, it has now become possible to predict bursts, providing greater safety for working crews underground.

Part of the groundwork for creation of a favorable "climate" for mining has already been arranged. Some aspects, such as the clearing of the racketeers out of the business of mining finance, have not been adequately handled yet.

What is done today in laying a "pattern" for mining after the war, a pattern which will assure that new activity will be in the right direction, will be of first importance in determining that Canada will remain the foremost mineral-exporting country among the United Nations.

Stadacona Refunding Scheme Would End Receivership

A definite proposal for taking Stadacona Rouyn Mines out of liquidation and returning it to present shareholders has been advanced by Norman Vincent, president of Mica Co. of Canada, in a submission to George Duclos, liquidator. It is understood that the plan is to be placed before Quebec courts for their consideration.

Under Mr. Vincent's proposal, a new five million share company would be formed in which present shareholders would receive one share for each share held. To assist in liquidating obligations and to provide working capital, Mr. Vincent offers to buy 950,000 shares for $210,000 of which $25,000 accompanied the offer, $75,000 would be paid on the proposal being authorized by the courts, with the balance payable within 90 days. On completion of payment of the $210,000, Mr. Vincent would receive a bonus of 299,512 shares. In the meantime he would be at liberty to negotiate a settlement of the W. R. Mulligan claim for 50,000 shares of new stock.

Would Pay Off Claims

The plan provides that the liquidator retain out of the assets in liquidation, all cash, Dominion of Canada bonds and bullion as of Jan. 1, 1944, and use these amounts together with the initial payment of $25,000 to liquidate as far as possible all claims according to law including the cost of liquidation and legal fees. Claims to be paid in cash in full. Incidental costs would be approved by the court.

Under the plan 3,700,448 shares would be issued to old shareholders, it is stated. Existing liquid assets, plus the $210,000 provided, it is stated, would provide working capital of $100,000 and would place the liquidator in a position to:

1. Pay all creditors and noteholders whose claims are admitted.
2. Pay or make a settlement with all creditors whose claims are not admitted.

If the funds are insufficient to pay the claims of all creditors, Mr. Vincent offers to personally pay any excess required to discharge them. If his offer is accepted he agrees to provide a performance bond guaranteeing to carry through the deal as proposed.

Mr. Vincent reports that his associates, who would form a directorate with representatives of present shareholders, are well known. It is reported that J. P. Norrie and C. O. Steel are among those who might be asked to go on a new board of directors.

Inco Authorizes Lower Dividend

A dividend of 40 cents a share has been declared by directors of International Nickel Co. of Canada on the company's common shares, payable Mar. 31, to shareholders of record March 1. This dividend represents a reduction of 10 cents a share in the quarterly rate which has been in effect since 1937.

The reduction in the dividend rate was forecast at the time the last dividend was declared. It was stated then that the prospect of reduced earnings might require a reduction in the common dividend rate in 1944.

BROULAN PORCUPINE MINES LIMITED
(No Personal Liability)
Capitalization:
Authorized — 3,000,000 Shares Issued — 2,694,005 Shares
OFFICERS AND DIRECTORS
President and Director BERT W. LANG
Vice-President and Director W. F. JAMES
Director G. B. WEBSTER
Secretary-Treasurer and Director D. R. MICHENER
Director J. B. STREIT
Mine Manager WALTER F. BROWN
Consulting Geologists W. F. JAMES—B. S. W. BUFFAM

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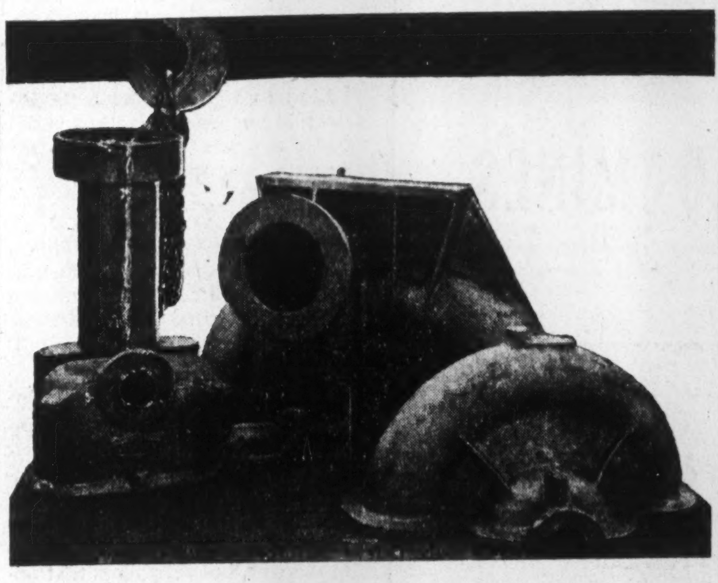
In 1940 Broulan assisted in the financing of the development and equipping of the Bonetal Mine and now holds about 30% of the issued shares of Bonetal Gold Mines, Limited. Due to the shortage of men, the Bonetal Mine is continuing production and development on a minimum basis with 35 employees. The Bonetal ore is treated in the Broulan mill.

Head Office: 372 Bay Street, TORONTO, Ont. Mine Office: PAMOUR, Ont.



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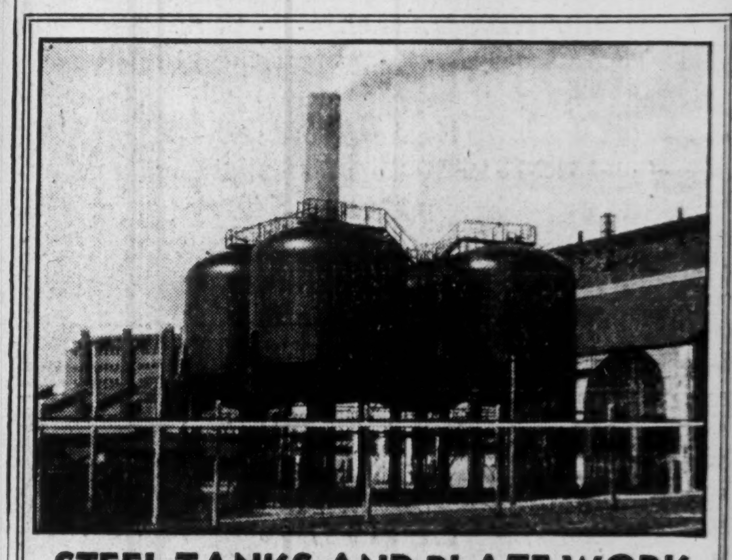

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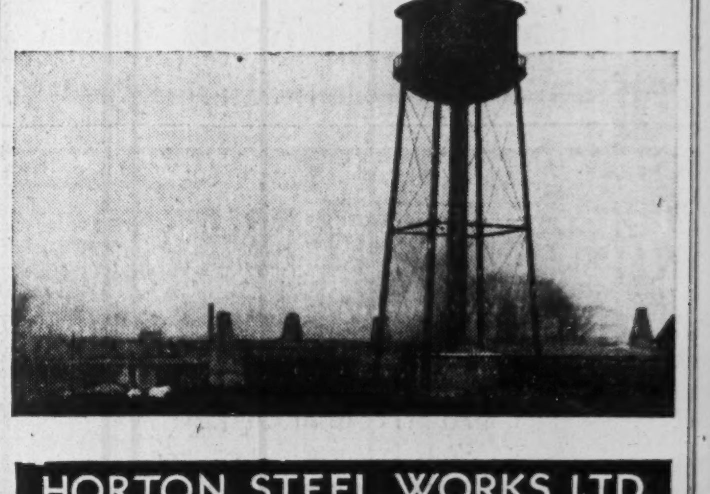

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The Financial Post Record of Canada's Chief Mines

BRITISH COLUMBIA

District	Product	Prod. Started	Dividends Started	Shares Issued	Working Capital $	Company	Daily Capacity Tons	Daily Tonnage 4th Quar. '43	Production			Per Ton Recovery			Cost Per Ton			Remarks	Net Profit per Share			Disbursements		
									1941 $	1942 $	1943 $	1941 $	1942 $	1943 $	1941 $	1942 $	1943 $		1941 $	1942 $	1943 $	1941 $	1942 $	1943 $
Field	S-L-Z	1929	....	2,330,714	282,469	Base Metals Mining	300	*	‡507,564	‡532,401	*	*	*	*	*	*	*	Position better.	0.008	0.023	*	...	...	...
Bridge River	G	1932	1934	1,247,000	1,738,157	Bralorne Mines	550	283	3,808,894	3,425,307	2,809,152e	19.84	20.02	23.71e	11.97	11.94	*	Best B. C. gold.	1.22	1.12	*	1.20	1.20	1.20
Britannia Beach	C-G-S-Z	1905	*	91,966	*	Britannia M. & S. Co.	6,500	*	*	*	*	*	*	*	*	*	*	Owned by Howe S.	*	*	*	*	*	*
Cariboo	G	1933	1936	1,333,309	426,425	Cariboo Gold Quartz	350	70	1,688,643	1,900,009	1,339,431	14.87	14.70	15.10	11.71	12.79	13.88	Year ends Jan. 31.	0.271	0.189	0.08	0.24	0.23	0.13
Trail	L-Z-S	1906	1906	3,276,329	28,229,365	Consolidated M. & S.	6,500	*	*	*	*	*	*	*	*	*	*	Has postwar plans.	3.72	3.72	*	2.50	2.50	2.50
Sheep Creek	G	1938	1940	2,550,000	395,254	Gold Belt Mining	175	*	645,148	659,602	603,461	10.40	11.76	13.44	9.46	11.01	12.36	Year ends Mar. 31.	0.023	0.026	0.022	0.04	0.02	0.04
Allenby	C-G-S	1937	1903	450,260	1,126,166	Granby Consolidated	5,000	*	4,876,275	4,474,615	*	*	*	*	*	*	*	Market a problem.	1.23	0.67	*	0.60	0.70	0.45
Osoyoos	G	1936	1938	2,264,130	309,842	Hedley Mascot	250	*	834,469	766,985	*	12.24	11.61	*	10.45	9.88	*	War affects.	0.05	0.05	*	0.08	0.08	0.06
Cariboo	G	1934	1936	1,050,716	279,353	Island Mountain	150	55	954,248	811,156	394,294e	17.54	16.92	17.42e	12.37	12.47	*	Doing better now.	0.268	0.20	*	0.18	0.13	0.07½
Bridge River	G	1928	1931	1,751,750	1,723,713	Pioneer Gold Mines	425	*	2,028,562	1,998,856	998,994	19.16	18.10	16.43	12.89	13.43	13.82	Year ends Mar. 31.	0.41	0.33	0.13	0.40	0.40	0.13
Sandon	Z-L-S	1943	....	2,000,006	*	Reco Mountain	100-150	*	......	......	*	....	....	*	....	....	*	Old Noble Five.	...	...	*	...	...	...
Zeballos	G	1938	1939	2,454,080	373,504	Privateer Mine	90	..	944,988	666,482	♦508,289	34.32	37.03	*	23.99	27.52	*	Closed Oct., 1943.	0.138	0.086	*	0.16	0.13	0.07
Sheep Creek	G	1935	1936	1,875,000	784,718	Sheep Creek	150	*	986,640	1,009,429	779,398	17.92	18.33	15.77	12.39	12.11	10.46	Year ends May 31.	0.169	0.193	0.152	0.18	0.18	0.19
Portland Canal	G-S	1937	1938	2,500,000	1,144,261	Silbak Premier	500	226	1,458,948	1,413,768	906,683e	8.84	10.55	9.79e	6.80	*	*	Premier subsidiary.	0.136	0.106	*	0.16	0.16	0.13
Slocan	L-Z-S	1941	....	6	*	Zincton Mines	300	*	......	925,215	■455,950	....	*	*	....	*	*	Year ends May 31.	...	*	*	...	...	...
Mt. Sicker	C-Z-G	1943	....	3,000,000	*	Twin "J" Mines	125-200	..	......	......	*	....	....	*	....	....	*	Jason Mines control	...	*	*	...	...	...

MANITOBA

Flin Flon	C-Z	1943	....	*	*	Emergency Metals	200	*	......	......	*	....	....	*	*	*	*	Hudson Bay sub.	...	...	*	...	...	...
God's Lake Area	G	1935	1939	3,500,000	748,371	God's Lake	200	..	845,358	630,628	527,582e	11.60	8.66	10.70e	12.18	12.44	*	Closed Sept., 1943.	d0.001	d0.07	*	...	...	...
Flin Flon	C-Z-G-S	1930	1935	2,757,973	15,049,585	Hudson Bay M. & S.	6,500	*	▴20,230,177	▴22,633,541	*	*	*	*	*	*	*	Excellent mine.	2.54	2.60	*	2.00	2.00	2.00
Rice Lake	G	1932	1934	2,393,013	‡*1,206,989	San Antonio	550	*	1,662,401	2,269,952	*	12.10	11.40	*	8.26	7.80	*	Gets deep ore.	0.23	0.30	*	0.20	0.20	0.20
Cold Lake	C-Z-G-S	1931	1940	5,874,432	2,010,122	Sherritt Gordon	1,800-2,300	*	3,751,205	4,069,165	*	*	*	*	*	*	*	More labor helps.	0.02	0.058	*	0.10	0.10	0.06

ONTARIO

Porcupine Area	G	1940	1941	2,000,000	529,496	Aunor Gold	450	398	1,658,955	1,848,229	1,914,223e	10.41	10.66	12.01e	7.83	7.56	*	Opens new ore.	0.21	0.275	*	0.16	0.16	0.18
Favorable Lake	G-S-L	1939	1941	2,000,000	1,066,781	Berens River	250	136	1,572,192	1,597,626	829,286e	18.20	18.39	15.57e	13.17	13.08	*	War affects.	0.22	0.23	*	0.03	0.12	0.06
Kirkland Lake	G	1934	....	4,000,000	193,091	Bidgood Kirkland	150	136	467,890	507,219	556,606e	11.56	10.57	11.17e	11.84	10.25	*	Finds high grade.	d0.001	0.006	*	...	...	...
Porcupine Area	G	1941	....	2,839,173	7,535	Bonetal Gold Mines	§	77	40,580	234,148	165,655e	5.96	5.81	5.96e	5.94	5.74	*	Meets expenses.	...	0.01	*	...	...	...
Porcupine Area	G	1940	1940	2,694,005	357,543	Broulan Porcupine	500-550	298	1,067,658	1,038,594	1,102,364e	7.69	7.54	8.40e	5.28	5.24	*	Profits hold.	0.124	0.118	*	0.09	0.06	0.09
Porcupine Area	G	1926	1938	701,679	548,505	Buffalo Ankerite	1,300	659	2,760,980	2,444,285	1,894,052e	6.15	6.82	7.28e	5.75	6.75	*	Investigates depth.	0.26	0.04	*	0.30	...	0.10
Patricia	G	1934	1936	2,500,000	1,129,983	Central Patricia	400	226	1,950,549	1,720,633	1,426,298e	13.67	12.40	13.52e	9.55	9.12	*	Mine improved.	0.25	0.19	*	0.23	0.15	0.12
Larder Lake	G	1939	1940	1,708,459	248,571	Chesterville Larder	700	428	1,442,291	1,156,229	945,555e	5.67	4.75	4.81e	4.18	4.35	*	Seeks new ore.	0.22	0.06	*	0.15	0.02½	0.03
Red Lake	G	1939	1940	2,961,655	772,239	Cochenour Willans	150-200	153	897,823	1,134,362	1,188,097	15.64	18.19	20.62	10.78	11.73	13.01	Year ends May 31.	0.095	0.138	0.152	0.06	0.06	0.12
Porcupine Area	G	1929	1932	2,766,743	741,685	Coniaurum Mines	600	280	1,873,891	1,664,496	1,191,547e	10.03	10.25	10.69e	7.98	8.09	*	New ore promising.	0.139	0.123	*	0.18	0.16	0.10
Porcupine Area	G	1937	1940	2,978,767	433,930	Delnite Mines	500-525	287	1,183,053	1,220,663	824,507e	7.10	7.07	6.55e	6.24	6.01	*	Sylvanite controls.	0.048	0.062	*	0.06	0.06	0.03
Porcupine Area	G	1910	1915	1,946,668	7,854,701	Dome Mines	1,700	1,440	7,769,368	6,579,536	5,772,520	12.38	11.76	10.98	7.42	7.16	6.65e	Controls Sigma.	1.98	1.72	1.56c	1.50	1.60	1.60
Sudbury Area	N-C	1930	1933	3,337,507	6,238,599	Falconbridge Nickel	♦2,300	*	•7,267,822	•7,674,289	*	*	*	*	*	*	*	May do better.	0.30	0.22	*	0.20	0.15	0.15
Porcupine Area	G	1938	1939	2,000,000	896,670	Hallnor Mines	250-400	277	2,527,351	2,308,711	1,462,851e	19.11	17.90	14.00e	10.02	10.60	*	Drills cut ore.	0.62	0.49	*	0.60	0.40	0.35
Little Long Lac	G	1938	1939	2,990,074	470,402	Hard Rock	450	217	**979,737	1,238,828	926,543e	8.46	9.24	8.95e	7.23	7.69	*	Finds better ore.	0.05	0.07	*	0.08	0.06	0.03
Red Lake	G	1938	....	2,875,006	424,783	Hasaga Gold	400	325	1,000,684	891,610	708,706e	8.01	6.64	5.89e	*	*	*	May do better.	0.11	0.07	*	...	...	...
Porcupine Area	G	1910	1916	4,920,000	♦*2,572,887	Hollinger	5,200	2,597	♦*17,365,852	♦*15,285,950	♦*11,536,319e	♦*9.34	♦*9.38	♦*10.00e	♦*6.96	♦*7.17	*	Mine stands up.	♦*1.11	♦*0.91	*	1.10	0.65	0.65
Preissac Twp.	M	1943	....	1,995,000	*	Indian Molybdenum	500	*	*	*	*	*	*	*	*	*	*	Dome controlled.	*	*	*	*	*	*
Sudbury Area	N-C	1887	1909	14,584,025	†94,793,183	International Nickel	♦35,000	*	*	*	*	*	*	*	*	*	*	Labor runs short.	2.22	2.11	*	2.00	2.00	2.00
Kamiskotia	C	1943	....	40,000	*	Kam-Kotia Porcupine	500	*	......	......	*	....	....	*	....	....	*	Hollinger controll'd	...	...	*	...	...	...
Larder Lake	G	1938	1940	4,730,301	2,512,880	Kerr-Addison	2,100	1,650	5,626,389	6,232,794	5,005,128	8.10	8.24	7.42	4.59	5.15	*	Riches at depth.	0.518	0.506	0.417	0.35	0.35	0.35
Kirkland Lake	G	1919	1934	5,326,699	603,633	Kirkland Lake Gold	400	217	1,879,727	1,458,823	1,189,370e	13.76	14.46	14.16e	9.79	11.31	*	Opens fine new ore	0.103	0.061	*	0.11	0.06	0.04
Kirkland Lake	G	1918	1918	2,000,000	4,406,884	Lake Shore Mines	2,500	724	9,404,781	6,191,672	5,540,131	15.34	15.93	16.35	9.45	10.14	10.78	Year ends June 30.	1.82	1.14	0.96	1.85	1.10	0.80
Beardmore	G	1937	1938	2,850,005	731,199	Leitch Gold Mines	100	66	894,725	974,544	837,647e	29.34	32.40	30.53e	21.20	22.93	*	Several rich veins.	0.09	0.107	0.09c	0.08	0.08	0.09
Little Long Lac	G	1934	1936	1,841,000	814,682	Little Long Lac	300	201	1,634,811	1,516,057	1,007,999e	13.82	13.09	11.34e	10.59	10.64	*	Depth disappoints.	0.21	0.16	0.04e	0.20	0.17½	0.04
Kirkland Lake	G	1933	1934	2,678,068	417,922	Macassa Mines	400	245	2,521,389	2,144,501	1,643,865e	17.71	17.81	15.92e	10.82	10.69	10.38e	Mine maintained.	0.377	0.328	0.219e	0.35	0.30	0.24
Little Long Lac	G	1938	1940	2,862,490	925,497	MacLeod-Cockshutt	1,000	357	2,284,855	2,567,990	2,352,840	9.52	11.12	11.30	7.40	9.36	9.53	Year ends Sept. 30.	0.178	0.142	0.129	0.10	0.10	0.10
Red Lake	G	1938	1940	3,499,528	782,976	Madsen Red Lake	400	394	1,160,800	1,195,030	1,512,086	8.23	8.21	10.33	6.14	6.85	7.46	Year ends Feb. 28.	0.085	0.056	0.121	0.06	0.03	0.06
Little Long Lac	G	1939	1940	3,000,000	295,460	Magnet Consolidated	150	..	976,859	866,557	573,409e	21.42	17.12	13.32e	14.98	14.79	*	Closed down late 1943.	0.10	0.04	*	0.12½	0.03	0.03
Matachewan Area	G	1934	1940	3,430,000	354,167	Matachewan Consol.	1,000	593	889,324	974,115	723,536e	4.51	3.09	2.89e	4.16	3.06	*	Low-grade mine.	0.02	0.003	*	...	...	...
Porcupine Area	G	1912	1917	798,000	19,618,646	McIntyre Porcupine	2,500	1,681	9,452,491	9,123,887	8,212,403	10.69	10.58	10.85	7.23	7.55	7.92	Year ends Mar. 31.	4.76	4.29	3.75	3.22	3.33	3.33
Red Lake	G	1935	1936	2,935,000	515,866	McKenzie Red Lake	230	220	1,000,436	1,039,210	952,247e	11.89	12.15	11.08e	8.87	8.69	*	Expands ore.	0.088	0.103	*	0.12	0.12	0.11
Red Lake	G	1940	....	2,050,005	140,754	McMarmac Red Lake	75-100	90	••253,898	495,774	365,652	••18.52	15.93	11.29	12.92	9.10	9.78	Year ends Apr. 30.	0.037	0.104	0.025	...	...	0.04
Larder Lake	G	1936	....	5,000,000	190,668	Omega Gold Mines	475	298	887,355	886,737	735,552	5.03	5.16	5.40	4.98	5.06	5.56	Year ends Mar. 31.	0.002	0.003	d0.004	...	...	...
Porcupine Area	G	1936	1939	5,000,000	2,227,573	Pamour Porcupine	1,600	1,315	2,577,580	2,343,907	2,074,456e	4.61	4.08	3.94e	3.75	3.22	*	War hits profit.	0.104	0.108	*	0.12	0.08	0.05
Porcupine Area	G	1935	1938	8,629,090	1,457,395	Paymaster	600	433	1,780,593	1,863,802	1,352,834	8.37	8.63	7.85	7.89	8.27	7.90	Year ends June 30.	0.015	0.014	0.005	...	...	0.02
Patricia	G	1935	1936	3,000,000	605,089	Pickle Crow	400	212	2,736,169	1,976,684	1,328,548e	18.69	18.31	18.82e	11.45	12.85	*	North mine helps.	0.36	0.20	*	0.40	0.30	0.10
Porcupine Area	G	1939	1940	3,000,000	608,521	Preston East Dome	1,000	620	2,399,270	2,791,800	2,285,616e	12.32	9.10	9.25e	8.24	7.19	*	Has new ore.	0.28	0.208	*	0.25	0.20	0.20
Steep Rock Lake	I	....	....	5,431,009	*	Steep Rock Iron Mines	...	..	......	......	....	....	....	....	....	....	....	Nearing production	...	...	...	...	...	...
Kirkland Lake	G	1927	1930	3,299,500	587,031	Sylvanite	600	382	2,589,635	2,021,506	2,025,004e	13.13	11.50	13.67e	8.64	8.10	*	Delnite a subsidia'y	0.305	0.218	0.20c	0.28	0.18	0.12
Kirkland Lake	G	1917	1926	4,807,144	3,135,942	Teck-Hughes	1,200	279	‡‡3,645,581	1,365,513	1,250,854	10.22	14.63	12.42	7.56	9.32	8.22	Lamaque helps.	‡‡0.506	0.365	0.305	0.50	0.30	0.30
Kirkland Lake	G	1932	1934	1,850,000	767,288	Toburn Gold Mines	150	113	1,097,779	730,350	612,357e	18.08	16.74	14.97e	12.75	13.28	*	Premier controlled.	0.17	0.08	*	0.18	0.13	0.04
Kirkland Lake	G	1939	1940	2,963,009	534,375	Upper Canada Mines	225-250	173	1,206,074	1,208,899	1,457,234	16.99	16.51	16.67	9.94	10.73	11.30	Year ends Apr. 30.	0.169	0.144	0.175	0.13	0.10	0.10
Kirkland Lake	G	1921	1921	5,500,000	4,598,752	Wright-Hargreaves	1,200	549	8,576,063	6,259,433	4,886,358	19.57	19.80	19.83	10.97	11.44	11.82	Year ends Aug. 31.	0.69	0.49	0.35	0.72¾	0.45	0.37½
Matachewan	G	1934	1939	1,584,108	51,896	Young Davidson	1,000	653	1,374,609	1,306,794	771,872e	3.96	4.40	4.00e	3.08	3.02	*	Oper. by Hollinger.	0.033	0.046	*	0.04	0.04	0.04

QUEBEC

Duparquet	G	1933	1936	5,000,000	661,754	Beattie Gold Mines	1,800	*	2,848,576	2,493,729	....	4.33	3.79	....	3.339	3.093	*	Finds new ore.	0.14	0.09	*	0.16	0.13	0.04
Mud Lake Area	G	1936	....	1,500,000	*	Belleterre Quebec	350	*	1,280,181	1,634,029	1,619,878	12.86	12.94	14.35	9.46	9.73	10.66	Year ends Mar. 31.	0.24	0.28	0.28	...	...	...
Malartic	G	1935	1937	3,651,355	521,165	Canadian Malartic	1,000	916	1,302,150	1,441,357	1,254,200	4.44	4.02	3.87	3.82	3.43	*	Well managed.	0.053	0.06	*	0.08	0.08	0.04
Malartic	G	1938	1940	4,000,000	1,120,236	East Malartic	1,800	647	2,851,228	2,700,209	1,888,682e	5.30	6.01	5.99e	4.22	5.45	*	Expansion program	0.15	0.068	*	0.20	0.05	...
Beauchastel Twp.	G	1938	1940	2,983,333	199,167	Francoeur	250	*	522,299	423,905	*	6.84	6.10	*	5.56	6.24	*	War hurts.	0.033	d0.003	*	0.04	...	...
Siscoe-Lamaque	Z-G	1942	....	3,000,007	*	Golden Manitou	1,000	1,000	......	......	1,936,762e	....	....	*	....	....	*	Profits grow.	...	...	*	...	...	...
Siscoe-Lamaque	G	1935	1939	3,000,000	2,826,198	Lamaque Gold Mines	1,200	750	4,955,040	4,335,959	2,930,518	11.04	11.51	10.87	7.59	7.42	7.10	Teck-Hughes cont'l	0.52	0.52	0.345	0.60	0.50	0.45
Malartic	G	1939	1941	4,000,000	323,707	Malartic Gold	1,000	526	1,864,180	1,940,639	1,664,775e	8.22	7.80	7.34e	6.32	6.58	*	New mine big.	0.114	0.077	*	0.10	...	...
Rouyn Area	G	1934	1935	1,872,506	377,403	McWatters Gold	150	111	337,018	325,068	203,366e	7.75	7.55	5.27e	7.53	7.49	*	Nears ore end.	0.007	0.004	*	...	...	...
Cadillac-Malartic	G	1942	....	3,000,000	▴†369,095	Mic-Mac Mines	600	*	......	364,997	*	....	4.91	*	*	*	*	U. S. controlled.	...	0.02	*	...	...	...
Rouyn Area	C-G	1927	1930	2,239,772	17,585,509	Noranda Mines	5,500	*	*	*	*	*	*	*	*	*	*	Many subsidiaries	4.94	4.77	*	4.00	4.00	4.00
Abitibi County	C-Z	1937	....	3,757,012	981,003	Normetal Mining	775	*	1,571,265	1,972,453	*	*	*	*	*	*	*	Depth looks better.	0.072	0.075	*	...	...	...
Cadillac	G	1934	1939	3,250,000	1,199,531	O'Brien Gold	190	162	977,152	1,001,048	1,019,177	14.13	14.39	14.75	11.18	12.38	12.41	Year ends Sept. 30.	0.084	0.052	0.061	0.05	0.03	0.03
Pascalis	G	1934	1938	2,000,000	858,287	Perron Gold	425	277	1,912,033	1,767,405	1,126,095e	12.65	12.48	9.61e	9.77	9.92	*	Ore supply slips.	0.237	0.187	*	0.25	0.17	0.10
Rouyn Area	G	1937	1939	1,250,000	294,093	Powell Rouyn	450	♦♦	972,274	1,455,073	1,264,765	4.00	4.26	4.41	3.94	3.93	4.05	Year ends Mar. 31.	0.015	0.089	0.085	...	...	0.04
Rouyn Area	G	1941	1943	3,408,333	208,883	Senator-Rouyn	300	*	748,463	909,567	....	7.60	8.60	....	6.57	6.22	*	Mine looks better.	0.03	0.07	*	...	...	0.03
Siscoe-Lamaque	G	1937	1940	1,000,000	1,101,055	Sigma Mines	1,000	834	2,967,106	3,055,373	2,473,050e	7.74	7.57	7.36e	6.10	5.02	*	Dome controlled.	0.64	0.69	*	0.60	0.60	0.60
Siscoe-Lamaque	G	1929	1932	4,640,063	1,002,385	Siscoe Gold	1,000	984	1,729,686	1,792,291	1,605,107e	7.52	5.63	4.39e	6.25	4.74	*	Seeks new mine.	0.07	0.07	0.044	0.08½	0.06½	0.06½
Malartic	G	1938	....	3,499,021	620,591	Sladen Malartic	700	562	867,594	1,148,515	831,747	3.39	4.50	3.72	3.41	3.99	*	Cash assets up.	0.005	0.0382	*	...	...	...
Siscoe-Lamaque	G	1934	1937	4,000,000	326,522	Sullivan Consol.	500	406	1,364,758	1,674,871	1,487,525e	10.21	9.94	9.86e	7.84	7.45	*	Finds new ore.	0.081	0.106	*	0.08	0.09	0.08
Rouyn Area	C	1937	1940	3,300,000	3,408,461	Waite Amulet	1,500	*	▴2,303,266	▴3,519,207	*	*	*	*	*	*	*	1943 best year.	0.39	0.51	*	0.40	0.40	0.70
Cadillac Area	G	1942	....	2,922,866	19,440	West Malartic	300	*	......	267,196	*	....	4.85	*	....	*	*	A new one.	...	d0.003	*	...	...	...

NORTH WEST TERRITORIES

Yellowknife	G	1938	....	*	*	Con. Property	350	...	*	*	*	*	*	*	*	*	*	Owned by C. Smelt.	*	*	*	...	...	...
Great Bear Lake	R-S	1931	....	3,905,046	*	Eldorado	125	*	*	*	*	*	*	*	*	*	*	Exprop. by Gov't.	0.043	0.027	*	...	...	...
Yellowknife	G	1939	1941	1,997,000	403,988	Negus Mines	70	60	††755,271	**1,033,616	*	††34.05	**29.71	*	††24.97	**23.58	*	Still producing.	††0.10	**0.107	*	††0.05	**0.07½	0.05
Yellowknife	G	1941	....	2,962,151	510,346	Thompson-Lundmark	100-125	...	■■	■■534,975	869,196	*	*	*	*	*	*	Closed Sept., 1943.	...	■■0.053	0.06	...	...	...

G—Gold.
S—Silver.
C—Copper.
L—Lead.
I—Iron.
M—Molybdenum.
N—Nickel.

Z—Zinc.
R—Radium.
* Not available.
e Estimated.
d Deficit.
§ Using Broulan Porcupine mill.

• Sales and investment income.
** 10 mos. to Dec. 31, 1941.
♦* Includes Ross mine.
▴ Includes misc. income, etc.
•• Six mos. ended Apr. 30, 1941.
▴† Excess current liabilities over current assets.

♦♦ Mill closed; shipping ore to Noranda.
♦ To Oct., when mill closed.
‡* To Oct. 7, 1943.
■ Net recovery.
‡‡ 16 mos. to Dec. 31.
†† Year ended July 31.

** 17 mos. to Dec. 31.
■■ 8½ mos. to Apr. 30.
♦ Latest figure available.
‡ Includes sundry revenue.
† At Sept. 30, 1943.
Note: Except where stated, figures are for calendar year.

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Your Personal Income Tax

Molyneux L. Gordon Outlines Complexities of Farmers' Income Tax And Advises Evening Up Annual Revenues Wherever Possible

By MOLYNEUX GORDON

Article No. 10—Farmers' Income Tax

Every farmer should obtain a copy of the Farmers' Income Tax Guide which can be had free from any income tax inspector, and an account book, which can be bought from the Dominion Department of Agriculture for ten cents.

Like every taxpayer, the farmer is entitled to compute the tax either on a cash or on an accrual basis.

In the first case you add up all your taxable receipts, deduct expenses, and pay tax on the balance, less exemptions.

The cash basis will probably be adopted by the majority of farmers. It is the simpler method and may be the cheaper in the end.

Accounts

If you adopt the accrual basis it is necessary to value your livestock and crops at the beginning and end of each year and any increase in value plus accounts receivable (less an allowance for bad debts) must be added to the cash you received and be included as part of your income. This means that you will have to pay tax prior to receiving the cash. Taxes are high now and may be lowered after the war and consequently you may have to pay more.

Complications

There are a few isolated cases in which the tax might be less. For instance, if you are unable to sell your crop before the end of the year it is quite possible that a different situation would exist in the next year and if you were on the cash basis you would have to include the proceeds of two crops in one year. Consequently your income would be much larger and you might be charged a higher rate.

This would be still more important if you were raising a number of young cattle and a large number were sold in any year.

But these things do not happen very often and the thing to do is to balance your production and arrange to sell the same quantity every year so your income will be as steady as possible.

For instance, if you had 25 steers ready for the market in November and sold them all at once, your income in the year of sale might be above the average, but there is nothing to prevent you from selling half the number at the end of one year and holding the balance over until the beginning of your next tax year.

Children

You may deduct $108 for each dependent child under the age of 18 years and will lose the deduction if you choose to pay him for the work he does on the farm. You are not permitted to pay your children or anyone else exorbitant wages but there is no objection to your paying your son the same rate as other boys receive for similar work. Assuming this amounts to $400 per annum, you may also deduct the cost of his board, which at 50 cents per day would raise the deduction to $580. The boy could use this money to buy his clothes, pay his schooling and other expenses. If your income is over $1,200 per annum you probably will have to pay a large proportion of the surplus in tax, so you might save money if you actually pay your son instead of asking him to work for nothing.

Depreciation

You are entitled to deduct depreciation at the ordinary rates on all farm buildings, workmen's houses, fences and machinery, but not on the homestead in which you live.

Assuming that the hired help lives in the house, and that you keep a separator in the summer kitchen, and store supplies in the attic, and you are able to prove that part of your home is being used for the purpose of your trade, you would be wise to discuss the question of depreciation with your tax inspector because doctors and other professional men who practice from their own houses often obtain some allowance on the portion of the house used for business purposes and if you explain the matter you probably will get the same treatment.

You may deduct depreciation at the rate of 10% per annum on farm machinery, but if your machinery is more than ten years old further depreciation will not be allowed.

If you choose to sell your own tractor[1] and buy a second-hand machine in the same state of repair you can deduct depreciation on the amount you pay out, and it might pay you to get rid of the old tractor and buy another —but be sure you deal for cash.

Hired Help

If you have a hired man you are entitled to deduct the wages you pay and the cost of board. As board is expensive these days, it is an item you should not overlook. On the other hand, if the remuneration paid your help exceeds the amount of his exemption you would be wise to obtain from the department the Revised Table of Tax Deductions in order to find out exactly what tax your help has to pay, because it is your duty to deduct and withhold this tax from his wages.

Income includes personal living expenses when such form part of the profit, gain or remuneration of the taxpayer[2].

Expenses

Like everybody else, you must include such expenses as part of your income.

You have to pay tax on all saleable articles which you or your family consume [3] but you do not have to include receipts from the sale of small items resulting from the minor activities of your wife or children, or vegetables obtained from the family garden.

But it is important to examine the section carefully. The tax is levied on personal living expenses. Although there is no authority on the subject, it seems clear that the word "expenses" means the cost of producing the articles which you consume and not the selling price. And it is not necessary to include as part of the cost your own labor.

Take the case of milk. Assuming you raise cattle and set aside a calf and when it grows up you use the milk for the children. The calf cost you little or nothing. The cost of raising the animal would be small because most of the food is grown on the farm and if you haven't a hired man and do the work yourself it would be next to nothing because all that could be claimed would be a small percentage of the total taxes, insurance, seed and other such items; and no one has to pay tax on work he does for himself.

Sale of Timber and Materials

If you have a gravel pit on your land and dig up and sell the gravel you will pay tax like everyone else who operates a mine; but if you figure out that your land contains 10,000 yards of gravel per acre and gravel is worth ten cents a yard and you sell your land for one thousand dollars an acre, this is a capital profit and not taxable. The same thing applies in the case of timber land which may be included in your farm; but don't forget that if you sell on a royalty basis you will be taxed under sec. 3 (f).

If you own a farm close to the city, particularly if you inherit it from your father [4], or have been living on it for a number of years [5] you can cut up the land and sell it in lots and not be taxable on the profits.

A man living in the city [6] who bought your farm to resell and did the same thing would have to pay a tax on everything he made.

The last thing you should bear in mind is that if you intend to do anything out of the ordinary consult your tax inspector before you complete the transaction. For instance, you may spend 20 years building up a dairy herd and for some reason have to sell it. If you make your return on a cash basis [7], technically speaking the whole of the purchase price is taxable in the year in which it was received and this means that a very high percentage will go to the Government.

In such a case the matter should be taken up with your district inspector [8] and you may rest assured that you will receive fair treatment; but if you are not satisfied with the result you may be wise to refuse to sell. Whatever you do, see your inspector before you make the deal. If you cannot make a satisfactory arrangement, remember that usually there are two ways of making every transaction and it is quite possible that if you want to retire and sell your farm "lock stock and barrel"[9], you would be free of tax because the farmer pays on the money he receives from his herd for the reason that his business is buying and selling cattle, but if he sells out entirely this sale is not in the ordinary course of business and different considerations might apply.

(1) Farmers' Income Tax Guide, p. 6.
(2) Income War Tax Act, sec. 3 (e).
(3) Farmers' Income Tax Guide, p. 4.
(4) Hudson's Bay v. Stevens, 5 T.C. 424.
(5) Income Tax Case No. 321, 8 S.A.T.C. 236.
(6) Emery v. Commissioners (1937), A.C. 91.
(7) Shaw v. Commissioners, 27 C.L.R. 340.
(8) Farmers' Income Tax Guide, p. 9.
(9) Commissioner of Taxation v. Newman, 29 C.L.R. 484.

(This concludes the series by Molyneux L. Gordon)

Oil Production

Taber Marketing May Be Near Solution

From Our Own Correspondent

CALGARY.—Despite the fact that marketing and transport problems restricted production to less than a third of the actual field potential, the five Dominion Oil Co. and Nassau Explorations joint oil wells at Taber produced a total of 8,808 bbl. in January, an average of 284 bbl. daily for the 31-day month.

During January, however, not one of the five wells was operated full-time, the actual production days per well ranging from as few as four to a high of 24 out of the possible 31. Total number of production days for the five wells was only 57, an average of 11.4 days per well. Taking into account only the days of actual production, daily average yield for the five amounted to 952 bbl., a recovery rate on a 31-day month of 29,512 bbl.

Of the January output of 8,808 bbl., a total of 7,280 bbl. was marketed, about half going to the Imperial Oil refinery at Calgary, the balance being sold for fuel at Southern Alberta drilling operations.

The Taber-Province No. 1 well produced 3,679 bbl. in 24 operating days in January, an average of 153 bbl. per day, boosting yield since completion 20 months ago to 83,357 bbl. The Taber-Province No. 37-18B produced 1,961 bbl. in 19 operating days, an average of 103 bbl. daily, boosting yield since inception to 20,031 bbl. The Taber-Province No. 57-18B was operated only five days in January, producing a total of 401 bbl., or an average of 80 bbl. per day, and raising cumulative yield to 3,406 bbl.

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One Hits 500 Bbl. Rate

The December completion, Taber-Province No. 17-18B, which swabbed and pumped at rates exceeding 500 bbl. daily for a few days in December, was pumped for only five part days in January, yielding a total of 1,511 bbl., an average of 302 bbl. daily. This boosted the cumulative yield to 2,807 bbl.

The January completion, Taber-C.P.R. No. 11-19B, swabbed for four part days in January, producing a total of 1,256 bbl., an average of 314 bbl. per day. As with the No. 17-18B, this well actually swabbed at hourly rates exceeding 500 bbl. daily, and actual potential is probably in excess of the 314 bbl. figure. Pumping unit is now being installed at this well, and it will be ready as soon as transport and marketing problems are solved.

In addition to these five wells, the old Plains Pete No. 2 well is capable of producing in the Taber oilfield, with its potential 25 to 30 bbl. daily. Nine miles south of the Taber field, the Mid-Continent No. 3 well is testing the Taber oil sand, and appears likely to prove a fair little producer.

It is estimated that these seven wells have a current daily potential of at least 1,000 bbl. per day of heavy crude oil, a potential ranking third among Canadian fields, behind the Turner Valley and Norman fields.

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Nine Rigs in Taber

At present there are nine drilling rigs working in the general Taber area in southeastern Alberta, with prospects reasonably bright for a substantial boost in the oil potential of the area in the next few months. The Dominion Oil Co., Standard of California subsidiary, which precipitated the development program by its Taber oil strike in 1942, is the largest operator—with one rig working on offset drilling in the Taber oilfield in association with Nassau Explorations, two rigs working on the Mid-Continent Oil & Gas and Standard of B.C. wildcat program, and two rigs now going to work on a Dominion Oil wildcat program.

Imperial Oil has two light rotary rigs working on wildcat operations, the McColl-Frontenac Oil Co. with one, and Lion Oils with one. British American Oil, Shell Oil of Canada and other majors and independents are slated to initiate wildcat drilling in the general area this spring.

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Marketing a Problem

The increasing productive potential and the increasing scope of the search for new sources of oil in the area have thrown into the national spotlight the difficulties now being experienced in marketing the output.

On the face of it, it is strange that a country experiencing the oil shortage that Canada is today should possess an oil field like Taber, restricted to a fraction of its potential because its output cannot be absorbed.

Explanation of this paradox is that the large refineries in the Canadian west are constructed to process light crude such as Turner Valley's and, without considerable change in equipment and processing methods, are unable to convert any large volume of the heavy Taber crude

Pending development of a sufficiently large potential and assurance of adequate reserves to warrant conversion of the larger refineries, or construction of a large new plant to handle Taber oil, the logical outlet lies in topping the oil at the smaller western refineries and skimming plants to produce 10% or 12% gasoline and a residue of oil suitable for fuel. (Largest western market for fuel oil is the Rocky Mountain division of the two railways, where oil burners are used.)

Only 40 miles west of the Taber field, at Lethbridge, is the recently enlarged plant of the Pacific Oil & Refining Co. This plant is capable of handling over 1,000 bbl. daily.

Provided arrangements were made for transporting the Taber output to this plant (as is mooted) and for selling the output to the large fuel oil users, the current potential of the field could be utilized.

Negotiations between the Dominion Oil Controller, the producers and the processors have been underway since Jan. 19, and there appears every reason to expect that a satisfactory solution will be found.

Paymaster Extending Development Program

An improved labor position has resulted in a more vigorous development policy at Paymaster Consolidated Mines and crosscutting from the No. 5 winze is now proceeding for the opening up of four new levels at 2,700, 2,825, 2,950 and 3,075 ft. depth.

There is approximately 150 to 200 ft. to be traversed before reaching the No. 8 ore structures but with the present advance, drifting in ore appears likely to be under way in February or early in March.

Work is to be continued on the four levels immediately above as labor is available. With eight new levels under development over a total vertical block of 1,000 ft., improvement in the ore reserve position appears possible with some improvement in grade.

Surface diamond drilling to the north has indicated the "Curts" vein. Underground work on the 1,000 ft. horizon has returned encouraging values in the main structure. However, the labor shortage necessitated stoppage of this work.

An improved profit position seems likely when the company can again mill around 600 tons daily against current production rate of slightly under 400 tons.

Operating profits for the six months ended Dec. 31, 1943 totalled $159,776 as compared with $331,153 for the full year ended June 30, 1943.

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Mr. Ralph M. Smith, President of General Petroleums Limited, will be at the Royal York Hotel, Toronto, from February 8th to February 11th, inclusive.